

## **The complaint**

Mr B complains about the way Accredited Insurance (Europe) Ltd (Accredited) handled a claim he made under his home insurance policy.

## **What happened**

The circumstances of this complaint will be well known to both parties and so I've summarised events. In August 2023 Mr B's property was unfortunately damaged in a fire and so he reported a claim to Accredited under his building insurance policy. Mr B's claim was accepted and Accredited agreed to carry out repairs to his property.

In June 2024 Mr B raised a complaint with Accredited about the delays in repairs being carried out. He was in alternative accommodation, but this was due to expire in September 2024, and as the policy limit had been reached, he would be liable for any alternative accommodation costs beyond this.

On 16 August 2024 Accredited issued Mr B with a final response to his complaint. The final response provided a detailed timeline but in summary it said:

- When agreeing alternative accommodation it had made Mr B's broker aware the policy limit had been reached and a project of this scale could encounter delays.
- There were unavoidable delays during the course of repairs such as adaptations of the scaffolding and roof materials needing to be manufactured.
- The delays at the outset of the claim were caused by Mr B's loss assessor halting the progress of the scaffolding being erected.
- The deadline for tender was extended due to the lack of communication from Mr B's preferred contractor.
- It acknowledged there were some service failings and so offered £400 compensation.

Mr B didn't think all of his complaint points had been addressed and so raised a further complaint. He also referred his complaint to this Service. Following Mr B referring his complaint to this Service, Accredited made an offer to resolve the complaint, offering a further £250 compensation. This was rejected by Mr B.

On 31 October 2024 Accredited issued Mr B with another final response to his complaint. It said:

- It hadn't provided Mr B with the appropriate level of support with arranging alternative accommodation, particularly around managing his contents.
- There had been unavoidable delays, but other delays, such as the approval of cost variations could have been handled more effectively. And these delays meant the contractor said it would be revoking its contractual responsibilities.

- It acknowledged concerns Mr B had raised about the quality of work carried out by the contractor when installing the scaffolding.
- It hadn't handled Mr B's Subject Access Request as well as it could have done.
- It would be offering £400 compensation.

Our investigator looked into things. She said she thought:

- Some delays were unavoidable, such as manufacturing delays with the roof. But other delays, such as the variation in repairs being agreed, were unreasonable.
- The repairs wouldn't have been able to start until the roofing materials had been delivered, but if the variations had been agreed in good time, repairs could have started at the beginning of August 2024.
- The variations weren't agreed until 27 September 2024, causing a delay of eight weeks. Therefore, Accredited should pay Mr B for eight weeks of alternative accommodation costs and pay 8% per year simple interest on this amount.
- Accredited had caused delays and acknowledged it hadn't handled Mr B's complaint as well as it should have done and should pay a total of £1,050 compensation.

Accredited accepted our investigator's view but Mr B rejected it. He said the delays in altering the scaffolding and agreeing the variations to repairs caused delays of at least 20 weeks.

As Mr B didn't agree with our investigator the complaint has been passed to me to decide.

### **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I want to acknowledge I've summarised Mr B's complaint in less detail than he's presented it. I've not commented on every point he has raised. Instead, I've focussed on what I consider to be the key points I need to think about. I mean no discourtesy by this, but it simply reflects the informal nature of this Service. I assure Mr B and Accredited I've read and considered everything that's been provided. I've addressed the key points separately.

#### *Delays and alternative accommodation*

The relevant rules and industry guidelines explain Accredited should handle claims promptly and fairly.

The terms of Mr B's policy explain Accredited will pay for alternative accommodation whilst his home can't be lived in as a result of loss or damage covered by an insured event. The maximum amount it will pay is £60,000.

Mr B's alternative accommodation expired in September 2024, but as the policy limit had been reached, he had to fund further accommodation himself. He has said the delays in repairs caused by Accredited have meant he has incurred alternative accommodation costs he otherwise wouldn't have incurred. So, I've considered whether Accredited have caused unreasonable delays, and whether these delays have prevented repairs being carried out or caused Mr B to incur unnecessary costs.

Based on the evidence provided I'm satisfied that:

- Mr B's loss assessor prevented the top hat scaffolding being installed on the date it was scheduled to. However this was quickly resolved and didn't cause any material or substantial delays in repairs being able to be carried out.
- It was reasonable for Accredited to extend the deadline for tender submissions. It was aware contractors were intending to submit tender, and it hadn't yet received a response from Mr B's preferred contractor.
- Mr B raised concerns about the contractor Accredited were intending to instruct and he made Accredited aware his preferred contractor would be willing to match the repair quote. This did cause a slight delay in the contractor being instructed, but wasn't a delay caused by Accredited.
- Mr B's roof needed to be redesigned, leading to delays in the manufacture and delivery of materials up until 22 July 2024. This meant repairs were delayed but this was outside of Accredited's control and so I don't hold it responsible for this.
- The surveyor noted the scaffolding would need to be altered due to the roof redesign as early as November 2023 but this wasn't completed until May 2024. Whilst I think this could have been completed earlier, I'm not persuaded this would have meant repairs could have progressed any sooner given the roof materials weren't delivered until the end of July 2024.
- There was an unreasonable delay in Accredited authorising the variation in repairs which were originally submitted in April 2024. I can see from Accredited's claim notes that whilst waiting for the variations to be agreed, the surveyor was authorising parts of the necessary repairs when requested by the contractor. So, I'm persuaded some repairs were able to be carried out even though the variations hadn't been agreed in full. The evidence suggests it wasn't until the beginning of August 2024 the contractor was unable to complete any further repairs until the variations had been agreed.
- I've not seen persuasive evidence the contractor would have been able to carry out other repairs, such as strip out works, whilst waiting for the roof materials to be delivered if the variations had been agreed sooner. I asked the contractor if they would have been able to carry out other repairs whilst waiting for the roof materials and if so, if they could estimate how many weeks this would have bought forward repairs. They haven't confirmed they would have been able to carry out other parts of the repairs, nor have they said how much this would have bought forward repairs. They said the variations weren't agreed in a timely manner, which I've acknowledged above.
- The contractor has said the biggest delay in repairs was due to the top hat scaffolding not being fitted to the property correctly. They have said this resulted in further repairs being required. The claim notes suggest the top hat scaffolding wasn't watertight throughout as Mr B didn't want it to overlap with next door's property. So, I think the top hat scaffolding was fitted as well as it could have been in the circumstances. And the alternative of not fitting the top hat scaffolding at all would have likely meant even more damage being caused to Mr B's property, meaning further repairs would have been necessary.
- The delay in authorising the variations to works meant repairs were delayed from the beginning of August 2024 until the end of September 2024 when the authorisation

was eventually given. This unreasonable delay in repairs was caused by Accredited's error.

- Even had Accredited not caused unreasonable delays, I think Mr B would have always incurred some costs for additional accommodation. Delays outside of Accredited's control meant the repairs wouldn't have been completed by September 2024 when Mr B's accommodation came to an end. So, it wouldn't be reasonable to require Accredited to pay for all of the additional accommodation Mr B has had to pay for, nor the costs Mr B incurred having to move his contents from the original alternative accommodation.
- It isn't reasonable to expect Mr B to be responsible for alternative accommodation costs he has paid for a period in which repairs were unreasonably delayed due to Accredited's errors. I think Accredited's errors delayed repairs being able to be carried out for around eight weeks from the beginning of August 2024 to the end of September 2024. Therefore, Accredited should reimburse Mr B eight weeks of alternative accommodation costs he has incurred, along with 8% per year simple interest on these amounts.

### *Claim handling*

Accredited have acknowledged it made errors in the way it handled Mr B's claim and has agreed to pay a total of £1,050 compensation, which includes the offers of compensation it has already made to Mr B. So, I've considered whether this is reasonable to acknowledge the impact to Mr B.

Given the circumstances of Mr B's claim, I think he was always going to suffer some distress and inconvenience, even if everything had gone smoothly. However, I think the way Accredited have handled Mr B's claim has caused him unnecessary inconvenience and has exacerbated the distress he has experienced.

I don't intend to list every error by Accredited, particularly given it has already acknowledged the errors it has made. But I think the delays in agreeing the variation of repairs have caused Mr B particular distress. He spent unnecessary time chasing Accredited for updates, knowing repairs on his property weren't being carried out, and had the distress of the contractor revoking its contractual obligations.

Overall, I think the total compensation of £1,050 Accredited have agreed to pay is reasonable to acknowledge the distress and inconvenience caused to Mr B. I think compensation of this amount is warranted where a business's errors have caused substantial distress, upset and worry, which I think is the case here. So, I require Accredited to pay Mr B a total of £1,050 compensation if it hasn't done so already.

### **My final decision**

For the reasons I've outlined above I uphold Mr B's complaint about Accredited Insurance (Europe) Limited. I require it to:

- Reimburse Mr B eight weeks of alternative accommodation costs he has incurred.
- \*Pay 8% per year simple interest on this amount calculated from the date he incurred these costs to the date Accredited reimburse these costs to Mr B.
- Pay Mr B a total of £1,050 compensation if it hasn't done so already.

\*If Accredited Insurance (Europe) Limited. considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr B how much it's taken off. It should also give Mr B a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 21 July 2025.

Andrew Clarke  
**Ombudsman**