

The complaint

F complains about how Accelerant Insurance Europe SA/NV UK Branch settled a claim it made on its buildings insurance policy.

Reference to Accelerant includes its agents.

What happened

Following a leak, F made a claim to Accelerant whom it held a buildings insurance policy with. Accelerant accepted the claim and settled it. But F complains about that settlement.

Accelerant settled the claim in cash, but it limited the amount. It did this because it says it's only obliged to pay what it would have cost it to fix the damage and the costs F paid to the company carrying out the work exceeds that. It says it agreed to cover all the material in full, but thinks the labour charged is excessive.

It says it asked for quotes for the required works, but that F authorised for them to take place and submitted an invoice for the work.

F on the other hand thinks Accelerant prejudiced its position. It says it thought Accelerant authorised the repairs to be carried out and therefore thinks it should settle the claim based on what it paid its contractor.

Our Investigator didn't think F's complaint should be upheld. They didn't think it was fair to require Accelerant to pay any more on the claim because it hadn't authorised the work to be carried out.

F didn't agree and asked for an Ombudsman's decision.

I issued a provisional decision which said:

"While I've considered everything I've been provided, in line with our role as an informal service, I'll not be commenting on every bit of evidence or argument raised. Instead, I'll focus on what I consider to be key to the dispute.

Here, the key part of the dispute is whether or not Accelerant authorised all the work to be carried out.

F thinks it did just that, and so thinks Accelerant should settle the claim by paying it what it paid its contractor to fix the damage caused by the leak.

Accelerant on the other hand disagrees, it says it only authorised the trace and access part of the claim and expected F to return to it with quotes for the work needed to make good the damage caused by the leak. It says that had it done this, it would have then been able to assess the quotes before authorising them. Because F carried out the repairs without this happening, it's said it's already paid more than it would have had to had F submitted quotes to it.

Accelerant has said it's met the trace and access work in full as it had authorised this. It's said it's met the material costs of the repair work in full too, despite not authorising this. It says it's agreed to pay for the labour in terms of the time taken – although it has concerns about this. But it's not agreed to pay the full labour rate, reducing it to £600 per day from the £1,000 per day invoiced.

I've seen an email on this case which appears to be central to the dispute. That email says: "As discussed, please authorise the plumber to attend to locate and rectify the leak, and request photographs are taken of all stages. Please note that the repairs for the actual cause of the leak will not be covered by the terms of your Policy, only the resultant damage.

Upon completion, kindly forward a copy of the invoice to myself, which should detail the works involved, and provide a breakdown of costs between labour and materials. If the damage to the flat below is to be claimed for, please advise the owner/tenant to obtain the necessary reinstatement estimates."

Looking at that email I can see why Accelerant thinks it was clear in authorising only the trace and access work and not the work to repair the resultant damage. But whether the email is clear to the sender isn't the real test. The test is whether it is clear to the receiver. And I'm not satisfied it is. The email makes it clear the work to trace and access is authorised. But it then goes on to talk about the resultant damage being covered by the policy. Directly after this it says "Upon completion, kindly forward a copy of the invoice...". Accelerant clearly meant a copy of the invoice relating to the trace and access work, but this isn't at all clear when considering the sentence talking to the resultant damage being covered. Therefore I think it's entirely plausible that F interpreted that as an authorisation to have the resultant damage fixed and submit an invoice for it.

In the above quoted email, it's not clear what the next step is, if it isn't to submit an invoice for the repair work. I understand Accelerant were expecting F to return to it with quotes, but the only reference to quotes here relates to the damage to the flat below. Accelerant were the party in the position of knowledge here, it's clear they knew the claim process, and what they were expecting to happen – F returning to it with quotes – is not an unusual process. But Accelerant had a responsibility to set that out clearly to F, not just assume F knew what to do.

Therefore, based on the above, I can understand why F took the action it did. The situation needed rectifying, and the above can, I think, be reasonably interpreted as though Accelerant had given authorisation for F to carry out the work and then send it an invoice.

Had Accelerant been clearer in its communication, then I think it's likely F would have followed that, I see no reason why that wouldn't have happened. Therefore, I'm satisfied that the fair and reasonable outcome of this complaint is that Accelerant should meet the cost of the claim in full. That is, it should pay the full invoice for the work covered by the policy because that is the cost it's incurred under the impression that it will be covered in full by Accelerant."

F accepted that decision. Accelerant didn't. I provided a further email and calls it said made it clear that the next step it expected from F was to provide quotes for the work.

Following this, I issued a second provisional decision which said:

"I'm changing my mind on the case. I understand F won't be pleased with this. But based on what I've seen, I'm satisfied the next course of action was clear.

Accelerant has provided a further email sent about a week after the first one referenced in

my provisional decision. That email says:

"...Many thanks for your call this morning. As agreed, please instruct the plumber to remove the bathroom floor and/or the wall to locate where leak is believed to be originating from. Unfortunately, the Policy does not provide cover for Loss of Rent or the Alternative Accommodation costs regarding your tenant, as per page 2 of the schedule(attached).

Once the leak has rectified, kindly obtain estimates for the necessary reinstatement works, which should detail the repairs required, confirm the measurements of the affected areas and provide a breakdown of costs between labour and materials, together with the photographs of the damage caused...."

I'm satisfied that email makes it clear that Accelerant was expecting to receive quotes for the reinstatement works and that it therefore hadn't authorised F to go ahead and get the works carried out.

I've also listened to the call the above email makes reference to. In that call there's no mention of authorisation for the reinstatement work, only the work to find the leak.

Therefore I'm satisfied F taking action and authorising the repairs to be carried out and then invoicing Accelerant prejudiced Accelerants ability to limit the costs of the claim to what it would have paid out. Accelerant has already shown it's paid more than it would have cost it to fix the claim.

Based on this, I can't fairly require Accelerant to pay more on the claim than it already has."

Accelerant agreed with that decision. F didn't. It said it didn't recall the phone call referenced and due to its representative being vulnerable, they asked for all correspondence to be sent via email. F also said the second email referred to was after its contractors had begun emergency repairs.

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.

Having done so, I'm not minded to change my findings, outcome or reasoning.

I appreciate what F is saying in regard to the call and its request for everything to be sent by email due to its representative being vulnerable. F doesn't think it's then fair to rely on an undocumented call.

I understand F's point here, but don't think the call was undocumented. Or that Accelerant can't use it to reason it's point. I've listened to that call, and as mentioned, I'm satisfied the email that followed it is a reflection of the call. As set out above, I'm satisfied that email is clear, and by sending that email, it did what F asked it to do to accommodate its representative's vulnerability.

I understand F has said emergency repair works had already begun prior to Accelerant's second email. That may be the case. But, during the call, it's clear the leak still hadn't been identified and that that part of the repair was still ongoing. On the call F makes it clear that "the work" will take two weeks and that those looking to find the leak hadn't found anything at that point. The call relates to further approval of works, which are agreed to and approved. So I don't think any reinstatement work had begun at that point – even if it may well have been quoted for. I find it unlikely reinstatement would have begun while the leak was still

ongoing (as is evident in the call) and unlocated.

The first email was, as already explained, ambiguous at best - I can see why F took it the way it did. That said I'm satisfied the second one sent and referenced above was clear. I'm satisfied that email supersedes the first and that therefore, overall, Accelerant gave F enough information to proceed.

Therefore by arranging and paying for work before Accelerant authorised it, F has prejudiced Accelerant's position. And because of that, I'm not recommending or requiring Accelerant to pay any more on this claim than it already has.

My final decision

For the reasons set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask F to accept or reject my decision before 17 June 2025.

Joe Thornley
Ombudsman