

The complaint

Mrs E and Mr E complain about The National Farmers' Union Mutual Insurance Society Limited ("NFU") and the way the claim made on their home insurance policy was handled and progressed.

Mrs E was the main policyholder and so, for ease of reference, I have referred to any actions taken, or comments made, by either Mrs E or Mr E as "Mrs E" throughout the decision where appropriate.

What happened

The claim and complaint circumstances are well known to both parties. So, I don't intend to list them chronologically in detail. But to summarise, Ms E held a home insurance policy, arranged through a broker and underwritten by NFU, when she discovered an escape of water arising from a sewage pipe in her garden. So, she contacted NFU to make a claim.

NFU appointed a loss adjustor, who I'll refer to as "S" to manage the claim on their behalf. And S appointed a specialist contractor, who I'll refer to as "A" to complete the required repair works. As both S and A were acting as agents of NFU, NFU remain ultimately responsible for the service they provided.

Unfortunately, Mrs E was left dissatisfied with the repair work completed, and the service she received throughout the claim as a whole. So, she raised a complaint. Her complaints included, and are not limited to, delays in repairing the issue to her property, additional damage caused by A, the quality of the repairs undertaken and a lack of communication overall. So, she wanted NFU to compensate her for the distress and inconvenience this caused to her, her family and their intended future plans.

NFU responded to the complaint and upheld it. They accepted there had been avoidable delays, poor communication and poor workmanship. So, to recognise this, they paid Mrs E £750 compensation and agreed to cover the cost of a new circuit. But they didn't feel there was evidence to show the works completed impacted the value of Mrs E's house, so they didn't offer a payment to recognise this perceived financial loss. Mrs E remained unhappy with this response, so she referred her complaint to us.

Our investigator looked into the complaint and upheld it. Both parties have had sight of this outcome, so I won't be recounting it in detail. But to summarise, our investigator recognised NFU had already accepted their errors. But they set out why they didn't feel NFU's offer of £750 fairly recognised the impact to Mrs E, and her family, recommending this be increased by a further £500 to £1,250 in total.

NFU accepted this recommendation. But Mrs E didn't, providing several comments explaining why. These included, and are not limited to, Mrs E's explanation about how NFU's failure to appropriately repair her property had resulted in her being unable to sell it. She explained how this left her and her family living in a property not suitable for their needs, exposed to unnecessary risk. And her belief that this had resulted in a financial loss, due to the drop in house prices over the period in question. So, Mrs E requested that the

compensation be increased further.

Our investigator considered all Mrs E's representations, but their opinion remained unchanged. Mrs E continued to disagree and so, the complaint has been passed to me for a decision.

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 upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

Before I explain why I've reached my decision, I want to set out what I've been able to consider, and how. I note from the policy documents I've seen that Mrs E is the policyholder, with Mr E being listed as an authorised representative. From these documents, I'm satisfied Mr E was able to transact, and effect, the policy in the same way as Mrs E and so, for the purposes of this decision I'm satisfied it's fair to treat Mr E as a joint policyholder. So, this is what I've done.

I also want to be clear that this decision will only consider the events up to the date of NFU's final response issued in November 2024, and the issues that were addressed within it. This is in line with the rules and regulations we work within, which make clear our service is only able to consider issues that have already been raised with a business such as NFU, with them being provided up to eight weeks to issue a response.

So, while I recognise events have moved on since this complaint response, any events that occurred afterwards haven't been considered, or impacted, my decision. This includes Mrs E's more recent complaint regarding NFU's failure to complete all the recommended repair works. This is something NFU must be given a chance to respond to and can be considered by our service separately, if this is required.

My decision instead focuses on Mrs E's complaint about the way NFU handled, and progressed her claim, which includes the workmanship of A, appointed by S. And I note NFU have already accepted there were avoidable delays, poor workmanship and a lack of communication with Mrs E, including multiple failed site visits. As NFU have already accepted these failures, I'm satisfied it's not in dispute that NFU have acted unfairly and so, I don't intend to discuss the merits of Mrs E's complaint in detail.

Instead, I've focused my decision on what I'm satisfied does remain in dispute, which is what NFU should do to put things right.

Putting things right

When deciding what NFU should do to put things right, any award or direction I make is intended to place Mrs E, Mr E and their family back in the position they would have been in, had NFU acted fairly in the first place.

In this situation, had NFU acted fairly, I'm satisfied it's reasonable for me to assume that Mrs E's claim, and more importantly the repair works to her home, would have been completed in a timelier manner, without the need for further rectification works to be completed. And that through this process site visits would have proceeded as agreed, with a more appropriate

level of communication provided. So, I'm satisfied Mrs E, and Mr E, should be compensated appropriately to recognise the above.

I note our investigator recommended NFU pay an additional £500 compensation, on top of the £750 already paid by NFU, to recognise the impact Mrs E and her family suffered. Having considered this recommendation, I'm satisfied it's a fair one that falls in line with our services approach and what I would have directed, had it not already been put forward. So, it's a payment I'm now directing NFU to make. And I'll explain why.

I'm satisfied this additional payment is significant enough to fairly reflect the impact caused to Mrs E and Mr E, and their mental health considering their individual physical health and needs, due to NFU's repeated failures. I've no doubt it would have been a distressing time for Mrs E and Mr E, especially when they discovered the original works carried out by A had failed and also created the need for further work to be required. I'm satisfied it also fairly recognises the repeated issues they faced in receiving site visits, only for attendances to be missed without explanation.

I'm satisfied it also takes into consideration the time and effort Mrs E and Mr E have spent needing to engage with the claim, some of which could have been avoided had NFU and their agents communicated with Mrs E and Mr E as I'd expect.

Further to this, I'm satisfied this payment fairly reflects the loss of opportunity Mrs E and Mr E feel they have lost being able to market their home with a view to selling it to fund a move to a home that was more suited to their needs, and future family plans.

But crucially, I'm also satisfied it fairly takes into consideration the steps NFU took to resolve the issues Mrs E and Mr E faced when the issues with the repair work was identified. This includes, and is not limited to, the proactive response NFU provided to ensure alternative accommodation costs were paid while the secondary repair work was ongoing, as well as ensuring the original alternative accommodation was extended when the initial repair work was impacted by bad weather, as well as further disturbance allowance payments.

I'm satisfied it also takes into account the fact that, while I have no doubt Mrs E and Mr E intended to move in 2024, and this is supported by evidence I've seen which suggests their property was also listed for sale in the year prior to the date of the incident, I have no way of knowing for certain that Mrs E and Mr E's home would have found a buyer in the time frame they expected. And crucially, what price the property may or may not have sold for. So, I'm unable to say, or speculate on, whether Mrs E and Mr E will sell their house for less in the future, than what they may have done had they been able to list it sooner. Because of this, I'm not persuaded it would be appropriate for the compensation to include an amount to recognise a financial loss, as I can't be certain a financial loss occurred.

And while I understand why Mrs E and Mr E want a compensatory payment to be made, and calculated on, each member of their family being compensated individually, this isn't something our service is able to do. Our service is only able to compensate the policy holders, which in this situation I've included both Mrs E and Mr E.

While I have no doubt Mrs E and Mr E's children were impacted by the situation, they weren't customers of NFU. And I'm satisfied the additional payment of £500 increases the compensation to a fair amount that also takes into consideration the added stress and worry Mrs E and Mr E would have felt when considering the impact their children faced.

So, because of all the above, I'm directing NFU to pay Mrs E and Mr E a further £500, which

takes the total compensation paid to £1,250 overall.

I understand this isn't the outcome Mrs E was hoping for. And I want to reassure Mrs E I've considered all the representations she's made, even if I haven't talked to them directly in line with the informal nature of our service.

I recognise Mrs E made several arguments that referred to what she felt were health and safety breaches, that may have led to potential fines for NFU, and their agents. But crucially, it's not our services role to punish a business such as NFU for their errors. Instead, it's our role to consider the impact caused to a customer by a businesses failures, and direct what we feel are fair and reasonable actions to recognise a customer's individual circumstances. So, any directions or award we make do not consider any potential fines that a business may have incurred or been exposed to.

In this situation, I'm satisfied a total compensatory amount of £1,250 fairly considers, and recognises, the increased risk Mrs E and her family were exposed to due to the failures by NFU and their agents, alongside the impact I've already referred to above.

My final decision

For the reasons outlined above, I uphold Mrs E and Mr E's complaint about The National Farmers' Union Mutual Insurance Society Limited and I direct them to take the following action:

- Pay Mrs E and Mr E a further £500 compensatory payment, taking the total compensation paid to £1,250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E and Mr E to accept or reject my decision before 24 September 2025.

Josh Haskey
Ombudsman