DRN-5610172

The complaint

Ms W complains about delays in The New India Assurance Company Limited ("New India") dealing with a claim she made on her home insurance policy.

What happened

In October 2023 a fire destroyed Ms W's workshop, greenhouse and garage. So, she contacted New India to make a claim on her home insurance policy.

New India began investigating the claim and completed its validation checks at the end of November 2023 informing Ms W on 7 December 2023 it would proceed with her claim.

Unhappy with the level of progress made on the claim and a lack of communication, Ms W complained to New India on 12 April 2024. New India provided a final response to this complaint on 15 May 2024. It said it had identified service failings during the claim and acknowledged delays of around two months due to a lack of communication. But said it didn't agree a project manager hadn't been appointed as during the claim there was a loss adjuster who Ms W had as a point of contact.

In recognition of the service issues though, New India apologised and agreed to compensate Ms W £150. Dissatisfied with this response, Ms W referred her complaint to us.

One of our investigators reviewed the complaint and recommended it be upheld as she did not think New India's response had reasonably recognised the extent of the delays on the claim and the impact to Ms W. And to put this right, she said New India should apologise to Ms W and pay an additional £500 compensation to bring the total to £650.

Because New India didn't reply, the complaint was referred 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.

Having done so, I've decided to uphold the complaint. I'll explain why.

I should start by saying while I've read and considered everything Ms W and New India have provided, I won't be commenting on every point made. I'll instead concentrate on what I consider are the key points I need to think about for me to reach a fair and reasonable decision. This isn't meant as a discourtesy to either party, but instead reflects the informal nature of this Service.

I should also say that I've only considered events up to when New India provided its final response on 15 May 2024. If Ms W is dissatisfied with anything which has happened on her claim after this date, in the first instance she'll need to raise that with New India as a new complaint.

When Ms W brought her complaint to us, she said she still didn't have a replacement greenhouse or workshop, and repairs to her garage still hadn't been completed. And she said during the claim there had been three different loss adjusters appointed, with two having left the company, and no project manager was assigned. In addition to this Ms W said the repair contractor had repeatedly failed to provide a schedule of works and keep her informed.

I don't think it's in dispute that at the time New India provided its final response the claim still wasn't resolved. While it isn't unusual for fire damage claims to take some time to resolve, New India needed to treat Ms W fairly included by handling her claim promptly and avoiding delays on it. And if it hasn't done so, and has caused Ms W distress and inconvenience, I can award compensation for that.

Ultimately, the onus is on New India to show that it dealt with the claim proactively and that it didn't cause avoidable delays. New India referred to some of the events and dates of the claim in its final response, but I don't think this provides sufficient detail on the key events in the claim or the reason for their duration. New India has also provided a substantial volume of email correspondence, but despite our investigator requesting it specifically provide a timeline of events focused on the key complaint points, it hasn't done so.

On balance, I'm not persuaded New India has clearly demonstrated the claim progressed at a reasonable pace. The main steps it needed to take to progress the claim to conclusion were carrying out an initial assessment and validation to satisfy itself the claim was genuine and the circumstances covered under the policy terms, clear debris and prepare the site for restoration work, complete a schedule of works and appoint a contractor, and carry out and complete lasting and effective repairs.

In its final response, New India didn't dispute there were delays, and it apologised for this and compensated Ms W £150. Our investigator didn't think this was enough and said it should increase this to a total of £650, saying that she thought there was a delay of around four weeks in New India authorisation window orders prompted by Ms W chasing it, a two week delay between the forensics confirming nothing suspicious about the claim and New India accepting liability, misadvice given to Ms W about salvage and a failure to keep her informed and provide a schedule of works, missed attendances to clear the salvage, and little progress made with the repairs until May 2024.

New India didn't respond to these points, and I don't think it has shown it likely acted reasonably to avoid delays. So, I think the extent of the delays likely were greater than what New India acknowledged in its final response, and I think that has caused an impact to Ms W in the distress and inconvenience of having to chase for updates and progress on the claim and being without the use of her workshop, garage and greenhouse for longer than was necessary.

I'm pleased to see that New India already apologised for its service failings in its final response. But I agree with the investigator that further compensation is warranted and I find an additional £500 to supplement the £150 New India agreed to in its final response to be fair and reasonable, and in line with our award levels for the distress and inconvenience caused to Ms W. So, I've decided to uphold this complaint and to require New India to pay Ms W a further £500.

Putting things right

If it hasn't already done so, I require New India to pay Ms W the £150 compensation it agreed to pay in its final response, in addition, I require it to pay Ms W a further £500 compensation bringing the total for this complaint to £650.

My final decision

I uphold this complaint and I require The New India Assurance Company Limited to carry out what I've set out in the 'Putting things right' section of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 2 September 2025.

Daniel Tinkler
Ombudsman