

The complaint

Mr and Mrs A complain Tradex Insurance Company PLC (“Tradex”) caused delays to their claim on their property insurance policy which significantly impacted the cost of their policy renewal.

All references to Tradex include its agents.

What happened

Mr and Mrs A took out a property insurance policy in 2018 which they renewed each year. The policy renewed in September 2023. Around October 2023, Mr and Mrs A made a claim on their policy following a storm. They said their gravel driveway had been washed away and a stream embankment in their garden had been destroyed. They also explained machinery which pumped and filtered sewerage had been put out of action.

Tradex appointed a loss adjuster to inspect Mr and Mrs A's property. Mr and Mrs A arranged for the pump to be repaired immediately. And in November 2023 Tradex agreed to re-gravel the drive and repair the stream embankment. But it said the repairs to the embankment would need to take place when the weather was better. The drive was repaired a few weeks later.

Both parties have given us timelines of what's happened in this claim. The claim repairs to the embankment were carried out in November 2024, around a year after the claim was made. From November 2023 until November 2024, Mr and Mrs A chased Tradex and its contractor for updates on what was happening. And there were some months when the claim wasn't moved forward, for example between November 2023 and March 2024, May 2024 and August 2024.

Tradex accepted it caused delays to Mr and Mrs A's claim. It said its contractor hadn't carried out all site investigations and surveys early and only informed Tradex a site visit would be needed around March 2024. And it accepted it could've done more to chase them. It considered the works were complex so it said it took a long time for the schedule of works to be provided and costs to be approved. And towards the end of the period, the contractors had to push back the works as they were held up on another job.

Around September 2024, Mr and Mrs A's policy was up for renewal. At this point the price of renewing the policy increased from around £530 the previous year to around £4,600 that year. Mr and Mrs A thought this was because of the open claim which had been delayed so they made a complaint.

Tradex said the policy price increase was correct and it couldn't be reduced. It said the claim would've impacted the premium whether it was open or not. But it accepted it had provided poor service to Mr and Mrs A and offered them £400 as compensation to make up for it.

Unhappy with Tradex's response, Mr and Mrs A asked our service to look into things. Our Investigator upheld the complaint in part. He thought Tradex should increase the amount of compensation paid to £600 to make up for the delays and poor customer service it had provided. But he didn't think the price of the policy renewal had been calculated incorrectly. Neither party accepted our Investigator's view so it was 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.

Based on what I've seen in this case, I uphold it in part for broadly the same reasons as the Investigator. I don't think Tradex has done enough to make up for the delays it caused to Mr and Mrs A's claim but I haven't seen anything to make me think the price of the renewal wasn't fair. I know Mrs A will find this very disappointing but I think it's the fair outcome in this case. I'll explain why.

Delays

I've looked very carefully through the timeline and information both parties have given us. This claim went on for around 13 months. And during this time, Mr and Mrs A have explained they were very worried as their property and their neighbours' properties were at risk of further flooding or damage. And I can understand that must've been very stressful.

Throughout the year the claim was ongoing, there were several points where it seemed nothing was happening. And Tradex accepts it caused some delays by not arranging to carry out site investigations earlier. So I'm satisfied Tradex caused unnecessary delays here.

Tradex says some delays were unavoidable – for example towards the end of the claim when the contractor was held on another job. And because it couldn't carry out the works during poor weather. But I'm not persuaded by this. The contractors were an agent of Tradex so I think it was responsible for the delays to the start date. And whilst I accept the weather played some part in the works not taking place sooner, I note no works were carried out throughout the spring or summer (due to other delays) and they were eventually carried out during the winter in any event.

Having considered the length of the delays to this claim, I think £600 compensation is a fair and reasonable amount for Tradex to pay to make up for the impact on Mr and Mrs A. When reaching this figure, I've taken into account the worry they felt but that they were able to continue living in and using their property.

Premium increase

Mr and Mrs A's renewal invite was sent in September 2024. It set out that the premiums for the next policy year were offered at £4,645.46 compared to £538.65 the year before. So I accept the premium increased significantly in that time.

Insurers calculate the price of a policy based on the risk presented. This risk can change year on year, so it's not unusual or uncommon at all for prices to increase. It's also been widely publicised over the last couple of years that the price of insurance has been increasing due to claims inflation, climate change and insurers facing rising costs in settling claims. So it's not unusual to see the cost of Mr and Mrs A's insurance policy has gone up, particularly considering the big event they've claimed on their policy for.

I understand Mr and Mrs A think the cost of their insurance policy went up because the claim was open at the time of the renewal and that was only the case because of the delays caused. Tradex has given our service an explanation to show the premium was calculated correctly, which its senior underwriting manager was involved in. This confirms the policy premium would've increased by the amount it has whether or not the claim was closed – as a factor impacting the price was that there had been a claim on the policy, not that it was open. I appreciate this part of my answer will be frustrating for Mr and Mrs A, but I can't share with them the confidential evidence that underpins the renewal price.

Overall in this case, I'm not persuaded the delays to Mr and Mrs A's claim caused the increase in their renewal premium. But I am satisfied the delays caused Mr and Mrs A more distress and inconvenience than was needed. So I direct Tradex to increase its offer of compensation to £600 in total to make up for it. This includes the £400 it's already offered or paid.

My final decision

For the reasons given, I uphold Mr and Mrs A's complaint and direct Tradex Insurance Company PLC to put things right by doing what I've said above.

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

Nadya Neve
Ombudsman