

The complaint

Mr D has complained about Andrew Smith. Mr D had contracted with it to handle his property insurance claim made after a water leak damaged his let property. He thinks Andrew Smith caused delays which affected the progress of the claim and resulted in losses.

Andrew Smith operates by offering the services of loss assessors which act as its Appointed Representative (AR). Which means that Andrew Smith is responsible for the actions of any loss assessor whilst it is acting as its AR.

What happened

Mr D was notified in early January 2024 of a leak at his let property. The damage which had resulted was causing significant issues for his tenants and an immediate reduction in rent was agreed. As Mr D lives abroad, he authorised his managing agent to handle matters on his behalf and a loss assessing company, an AR of Andrew Smith, was instructed.

Several months later, in around June 2024, Mr D became aware that the claim had not progressed. He raised his concerns with Andrew Smith, which said Mr D's managing agent had not been cooperating, which had effectively hampered its AR's ability to progress the claim. Mr D, when asked directly by Andrew Smith for information, replied within a few days. Andrew Smith, in mid-August 2024, terminated its AR arrangement with the loss assessor.

In October 2024, Andrew Smith issued a final response letter answering Mr D's complaint. It said no work on the claim had been completed, and that was all because Mr D's managing agent had not provided the AR with requested information, and had given incorrect contact details for Mr D.

Mr D, having complained to the Financial Ombudsman Service in August 2024, and unhappy with Andrew Smith's reply, asked us to review his complaint. Following an objection raised by Andrew Smith, to our ability to consider the complaint, which I answered in a decision issued in April this year, our Investigator considered the merits of Mr D's complaint.

Our Investigator thought that Mr D's managing agent may not have provided certain information as promptly as they could have done. However, he noted the agent had made enquiries with the loss assessor in April, which had not been answered promptly. He also noted that, once Mr D had provided detail directly, the loss assessor still did not progress the claim. He thought that around four months of delay had been caused by Andrew Smith. He said it should compensate Mr D for the difference in rent for four months. Also that it had caused Mr D inconvenience for two months when he was chasing it directly – so it should pay £100 compensation.

Mr D said he accepted our Investigator's view. Andrew Smith said it disagreed with it.

Andrew Smith said the outcome was ridiculous as it had shown that Mr D's managing agent had not cooperated with its enquiries. It said the loss assessor had simply been unable to progress matters due to factors beyond their/its control. Documents, Andrew Smith

reiterated, had been requested of the managing agent in January 2024 and were only provided in mid-June by Mr D.

The complaint was referred for an Ombudsman's 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 find my view is the same as that expressed by our Investigator.

I can assure Andrew Smith that I've taken into account its view of the situation. However, like our Investigator, I think there was more that could and should have been done to progress Mr D's claim.

Mr D's managing agent was asked for copy documents in January 2024. These were not provided. But the managing agent clearly thought that everything required had been sent as, in April 2024, an update on the progress of the claim was requested.

I can't, and don't fault Andrew Smith for not having acted before April 2024. I accept that required information had not been received at that time. But, when the managing agent chased for an update, the loss assessor did not respond – a reasonable reply at that time would have been to highlight that the required documents had not been received. Instead, what happened was the matter fell into abeyance until a further chase from the managing agent in June, shortly after which the issue with Mr D's contact information was highlighted, he was contacted and he provided the required documents within a matter of days.

Having received the documents though, still the claim was not progressed. The loss adjuster acting for Mr D's insurer, in August 2024, confirmed it had received no contact from the loss assessor. And, about ten days later, the loss assessor ceased being Andrew Smith's AR.

So between April and early June 2024 and for roughly two months from 20 June 2024, the loss assessor failed to take reasonable action to progress the matter. Its role had been to handle and progress Mr D's claim with his insurer – but his insurer had not heard from the loss assessor. I don't doubt that impacted the claim. Mr D has confirmed the building damage claim was ultimately resolved by the insurer – but it wouldn't cover Mr D's lost rent because it considered the property was habitable.

I'm satisfied that if the loss assessor had taken reasonable action, that would have had a positive effect on the progress of the insurance claim. That would have enabled Mr D to reintroduce a full rent charge sooner. I think it reasonable for Andrew Smith to compensate Mr D for the rent lost during the four months of its delay. Mr D has shown rent was reduced by £220 so that is £880 for Andrew Smith to pay. To that sum interest should be applied on each monthly amount lost, from the date the full sum should have been received (but for the building damage and ongoing claim) until settlement is made.

I note Mr D had cause to chase the loss assessor himself after he provided the required documents in June 2024. I'm satisfied that £100 compensation for the inconvenience he was caused in that respect is fairly and reasonably due.

Putting things right

I require Andrew Smith to pay Mr D:

- £880 as reimbursement of lost rent, plus interest* applied on each sum of £220 that makes up this sum, from the date the full monthly rent should have been received but wasn't, until settlement is made.
- £100 compensation.

*Interest is at a rate of 8% simple per year and paid on the amounts specified and from/to the dates stated. HM Revenue & Customs may require Andrew Smith to take off tax from this interest. If asked, it must give Mr D a certificate showing how much tax it's taken off.

My final decision

I uphold this complaint. I require Andrew Smith to provide the redress set out above at "Putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 30 July 2025.

Fiona Robinson
Ombudsman