

## **The complaint**

Mr M complains about the way Accredited Insurance (Europe) Ltd settled a claim he made under his buildings insurance policy having made a claim following an escape of water.

## **What happened**

There was an escape of water from a pipe in the loft of Mr M's property at the end of 2022. Dissatisfied with the progress of the claim, Mr M complained to Accredited. It responded to that complaint with a final response letter (FRL) in November 2023 and offered £250 in recognition of delays it had caused. Mr M didn't refer that complaint to this Service. In December 2023, Mr M accepted a cash settlement for the necessary repair works, as he'd arranged for his own builder to do the works.

However, in summer 2024 Mr M returned to Accredited. He said the cash settlement wasn't enough to have the necessary work completed. Mr M referred the complaint to the Financial Ombudsman Service, he said Accredited were ignoring him and wasn't providing any support.

After Mr M referred his complaint to this Service, in August 2024 Accredited responded to it with a further FRL. It said it had cash settled the claim for how much it would have cost its contractors to do the necessary reinstatement works. It said if Mr M wanted its contractors to do the repairs, that could be arranged, if Mr M returned the cash settlement.

Mr M asked us to investigate matters since Accredited hadn't agreed to increase the cash settlement amount.

When the complaint was referred to this Service, Accredited said it would pay a further £250 compensation for its part in causing any delays. Our Investigator initially wasn't minded to ask Accredited to increase its settlement offer for the claim. She said whilst Mr M mentioned Accredited had caused delays, a complaint about delays had been responded to by Accredited in November 2023. She said because that complaint hadn't been referred to this Service in time, we couldn't consider it.

Mr M didn't accept that outcome and provided comments from his appointed builder in relation to the settlement. Our Investigator provided those comments to Accredited. It said, having reviewed that report, it would include settlement for three more internal doors. It also said it would increase its offer made for the hallway flooring, since it had noted it incorrectly as softwood, when it was actually hardwood. It said for those items, it would pay around £500, inclusive of VAT.

Accredited said it wouldn't make further offers for the sub-flooring or the plasterboard. It didn't accept either of those would need to be replaced as a result of the escape of water in 2022.

Having reviewed comments from both parties, our Investigator wasn't minded to ask Accredited to do anything further. She said it was difficult to know if some of the work was needed given the time that had elapsed since the claim started.

Mr M asked for an Ombudsman to consider matters, he said he had to undertake a complete renewal of all gyproc and reskin the walls throughout the home due to widespread mould – work which was clearly unaccounted for and should have been included from the outset.

As the matter wasn't resolved, it came to me to decide. In July 2025 I issued a provisional decision on this complaint. In it I said I didn't intend to require Accredited to do anything further to resolve the complaint. A copy of my findings are below.

*Like our Investigator, I won't review matters responded to in the November 2023 FRL, that complaint wasn't referred to this Service in time.*

*Mr M's complaint to Accredited in 2024 was that the cash settlement, that he'd accepted and received, wasn't enough to allow him to complete works on the property. Accredited's response to that was that, if Mr M wanted to return the cash to it and for it to do the works, it could do that.*

*I consider that to be a reasonable response from Accredited. As far as I can tell, Mr M was offered the option of having Accredited do the reinstatement of the property early in the claim, and he chose instead a cash settlement. That means, under the policy terms, Accredited will settle the claim, in cash, for the amount it would cost it to do the works. Which means the settlement Mr M receives is unlikely to cover the full cost of him arranging all of the work himself, because insurers will generally benefit from discounted rates when appointing contractors. So, Mr M's complaint, that the cash settlement wasn't enough to do the works, is a consequence of this way of settling the claim. And if that doesn't work for Mr M, the alternative is Accredited appointing its contractors to do the works. Which it offered to do.*

*Mr M says Accredited didn't include all of the works needed in its scope. But I don't think it's fair to Accredited to revisit that scope more than six months after a cash settlement was accepted and paid. Accredited provided Mr M with the scope of work for the property when the cash settlement was offered. Mr M had an opportunity to query it at that time. I'm not persuaded it is fair and reasonable for me to now review Mr M's scope from his builder to that of Accredited's scope, in detail, in order to decide on whether Accredited missed any areas it should have accepted, as part of this complaint.*

*Accredited has offered £500 for some further works it said it would pay for some internal doors and flooring. Mr M can contact Accredited if he wants to accept that offer. And if Mr M wants to engage with Accredited further on other works he's had carried out, he can do so. But I'm satisfied Accredited's response to his complaint made in 2024 was a reasonable one, so I'm not going to require it to do anything further to resolve this complaint.*

*When Accredited responded to this Service, it said it would offer a total of £500 compensation for delays it had caused. It said £250 of this was offered in response to the first complaint in November 2023 (which, as set out above, I haven't considered) but wasn't accepted. It seems the further £250 also covers the same time period, since the cash settlement was accepted shortly after the November 2023 FRL. As such, I'm not going to review the offer in line with our compensation guidelines. To do so would be reviewing matters not referred to this Service in time. Mr M should contact Accredited directly if he wants to accept the £500 compensation offered.*

Neither party provided a response to my provisional findings.

### **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.

As neither party has provided a response to my provisional findings, having considered matters again I see no reason to depart from those findings. As such, my provisional findings are now that of this, my final decision.

**My final decision**

My final decision is that Accredited Insurance (Europe) Ltd doesn't need to do anything to resolve the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 27 August 2025.

Michelle Henderson  
**Ombudsman**