

The complaint

Mr and Ms N have complained that Accredited Insurance (Europe) Ltd (AIE) caused delays when dealing with their escape of water claim under their home insurance policy.

As Ms N is the lead complainant, I will refer to her on behalf of Mr and Ms N in my decision.

What happened

Mr and Ms N bought a home insurance policy with the insurer AIE which ended in January 2024. They had bought a policy with another insurer to start when AIE's policy ended. Mr and Ms N were on holiday in January 2024 and on return, discovered a frozen pipe had burst when thawing.

Mr and Ms N made a claim to their current insurer. There was back and forth between AIE and the current insurer as to when the event happened – and which insurer was responsible for dealing with the claim. Some works began by AIE's contractors. In the meantime, Mr and Ms N were living in arranged alternative accommodation. When the damage occurred, the electricity tripped and there had been no power to the property until February 2025.

Under a previous complaint brought to this service, an ombudsman issued a final decision in January 2025. The ombudsman decided that AIE was the lead insurer to deal with the claim. The ombudsman required AIE to pay Mr and Ms N £500 compensation for the distress and inconvenience caused by the delay AIE caused.

In March 2025 Mr and Ms N complained to AIE. They were unhappy with the lack of progress on the claim. They said appointments had been missed by AIE's contractors or notice given was too short for them to meet. Mr and Ms N were unhappy with the increase in costs they paid for ongoing insurance. They said no meaningful works had started to repair their home.

Ms N discussed their complaint further with AIE in April 2025. She said their property had been vandalised repeatedly between December 2024 and April 2025. She said this was due to the property being left for so long and the appearance of being abandoned. They paid for additional security cameras when electricity was restored to the property in February 2025. But the vandalism continued via access to the rear of the property until April 2025 and they added more security cameras to the side and rear of their home.

On 25 April 2025 AIE upheld the complaint in part. They acknowledged that the claim had not progressed as it should have and it had caused delays. AIE said it was dealing with reimbursement for utility costs and a scope of works had been agreed.

For the distress and inconvenience caused, AIE paid Mr and Ms N £400 compensation.

While it acknowledged the vandalism events will have caused considerable upset and distress, AIE said these were criminal acts which AIE was not responsible for.

Mr and Ms N remained unhappy and asked us to look at their complaint. They want AIE to

reimburse them for the costs of additional security to the home. They believe the delay in repairs exposed their home to the vandalism that occurred.

Mr and Ms N explained that they had to buy a vacant property insurance policy in addition to their standard home insurance. Due to the length of time the claim has taken, they have been subject to paying for this policy for longer than reasonable. Mr and Ms N want AIE to reimburse them for additional travel costs due to the location of their alternative accommodation

Ms N said since AIE replied to their complaint in April 2025, there have been ongoing delays.

One of our Investigators explained that we could only look at matters up to when AIE's final response letter dated 25 April 2025. He thought the compensation AIE had paid was fair to reflect the distress and inconvenience caused between January 2025 to April 2025. He didn't think AIE was responsible for the acts of vandalism that had occurred. He said that ultimately the house was uninhabitable for a long period of time due to the water damage and so the risk of vandalism occurring was not something AIE was responsible for.

The Investigator explained that the difference in costs for standard home insurance was likely to be more due to there being a claim. But he recommended AIE reimburse Mr and Ms N for the difference in costs they had paid for additional vacant property insurance at renewal. He thought AIE should consider a claim – subject to reasonable proof – for the difference in travel costs since living at the alternative accommodation for travel to the property.

In response, Ms N accepted the Investigator's findings in relation to the compensation award, reimbursement of travel costs and additional insurance. She reiterated her complaint about the need for additional security. She believes AIE should reimburse them for these costs. Ms N says she is unable to evidence the increase in travel costs other than to provide details of the mileage to attend appointments at the property from the AA location and apply a standard mileage charge rate.

Ms N says she is concerned that this is the second time during the claim that she has had to bring a complaint to AIE, and then to us.

The Investigator explained that how the claim for travel costs is arrived at is a decision for AIE. He maintained his view on the remaining issues.

Ms N asked for an ombudsman to decide on their case.

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.

The background is well known to both parties and so I don't intend to repeat it in the same level of detail here, suffice to say I have focused on the key issues that remain of concern for Mr and Ms N in their complaint. I have read everything both parties have provided.

I understand Mr and Ms N's upset and worry when their home was repeatedly vandalised while unoccupied. And there's no dispute that AIE caused considerable distress and inconvenience by the delay it caused in its handling of the claim.

Overall AIE had paid £900 compensation which includes the distress and inconvenience caused by AIE's delays. While I cannot revisit the final decision reached in January 2025, I

am aware of the amount of £500 awarded alongside the £400 compensation AIE has paid for its delay and poor service from January 2025 to April 2025.

I find AIE has paid a reasonable level of compensation and in line with similar awards we give for the distress and inconvenience caused. So I'm not asking it to increase the compensation it has paid. As the Investigator explained, if Mr and Ms N have new concerns, they are entitled to raise them with AIE so that it has an opportunity to respond. If they remain unhappy, they can bring their complaint to us. I understand their concerns; however my decision can only address the complaints AIE responded to on 25 April 2025.

I cannot safely conclude that the vandalism damage to Mr and Ms N's home would not have occurred if AIE had not caused a delay. The damage to their home caused by the escape of water is significant. Drying and asbestos testing for removal has also taken time. This means inevitably their home was vacant for a long period of time. I don't find AIE should reimburse Mr and Ms N for additional security cameras they have added to their home as it is not responsible for criminal damage that occurred.

I think it's reasonable for AIE to consider a claim for proven travel costs over and above what Ms N would have otherwise paid for – due to having to attend the property from their alternative accommodation address for site visits: some of which a contractor did not arrive for. Part of Mr and Ms N's complaint is that appointments were missed or not sufficient notice given for them to travel to the site for appointments. AIE has paid £400 for the distress and inconvenience caused by delays as a result of failed appointments and progressing the claim.

Under standard home insurance policies, where there is an open or settled claim, the risk changes for an insurer and this will lead to an increase in premium at renewal.

However, I think AIE should reimburse Mr and Ms N for the costs they have paid for separate vacant property insurance at renewal due to the delay caused as this is a financial loss directly linked to the delay in handling the claim. AIE should pay interest at our preferred rate from the date Mr and Ms N paid for renewal cover to the date of reimbursement.

My final decision

My final decision is that I uphold this complaint in part. I require Accredited Insurance (Europe) Ltd to do the following, subject to reasonable proof;

- Consider Mr and Ms N's claim for increased travel costs from their alternative accommodation address to the property for site visits.
- Reimburse the costs of additional vacant property insurance at renewal.
- Pay interest on the costs at a rate of 8% simple interest a year from the date paid to the date of reimbursement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N and Ms N to accept or reject my decision before 25 December 2025.

Geraldine Newbold
Ombudsman