

The complaint

Mrs A complains about the way Accredited Insurance (Europe) Ltd handled a claim she made on her home insurance policy following an escape of water.

What happened

In May 2024, Mrs A's property was damaged following an escape of water. Accredited accepted the claim and repairs were agreed to various rooms in the property. Works were largely completed in early 2025 but Mrs A complained to Accredited about their quality. She also complained Accredited's contractors had treated her poorly because she's female.

Accredited accepted that the works had been carried out to a poor standard, it gave several options to Mrs A in resolution, including a cash settlement offer of around £1,900. It said whilst it didn't think the contractors' behaviour was linked to her gender, it accepted it had caused her unnecessary upset and offered £300 compensation.

Unsatisfied with Accredited's response, Mrs A referred matters to the Financial Ombudsman Service for an independent review. She said she hadn't started the rectification works needed and there had been a further leak, she was also concerned about the impact on her insurance premiums. Our Investigator set out that he'd only consider matters addressed in Accredited's final response letter (FRL). As such, he said any issues with the further leak, or the renewal, would need to be raised with Accredited first.

Having considered the complaint, our Investigator recommended Accredited increase its offer of compensation to £500. He said it wasn't for this Service to make a finding on whether Mrs A had been discriminated against on account of her gender, but he recognised the business' actions had caused Mrs A unnecessary distress. He said the £500 was to account for the unnecessary distress caused between October 2024 and January 2025, whilst the works were being carried out.

Mrs A didn't accept that outcome. She said she didn't think it reflected the emotional impact of the mishandling of the claim, as well as the burden of managing the aftermath of the poor workmanship, by finding alternative contractors herself.

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 this is an informal Service, I'm not going to respond to every point made or piece of evidence referred to by the parties. Instead, I'll focus on the key reasons for reaching the decision that I have. And like our Investigator, I haven't, as part of this complaint, considered Accredited's handling of a further leak in the property, or Mrs A's premium renewal.

It's not in dispute that Accredited's contractors carried out poor work to the property. So I'm not going to detail what its failures were in that respect, although I'd like to reassure Mrs A

that I've read all of her commentary on it and agree Accredited failed her by carrying out such poor repairs.

However, it isn't for this Service to punish a business for poor claim handling, or for its contractor's behaviour. That isn't the role of this Service. Instead, this Service considers whether Accredited responded reasonably to the complaint Mrs A made. I am satisfied, for the most part, that it did. When Mrs A complained, a regional surveyor was appointed to review the issues. Accredited accepted the work was poor and in its FRL it gave three options: the original contractors could reattend to re-do the necessary work, new contractors could be appointed, or Mrs A could be paid a cash settlement for the necessary rectification works. I consider those to be reasonable offers for Accredited to make in the circumstances.

I note Mrs A has said her concerns weren't taken seriously by the contractors, and she feels that was partly because of her gender. I accept that would be upsetting and frustrating, and a formal complaint shouldn't have to be made for matters to be taken seriously. However, as set out above, when that complaint was made, I'm satisfied Accredited did take reasonable steps to consider her concerns and provide reasonable solutions.

At the point our Investigator started his review, Mrs A said she hadn't started those necessary rectification works. Accredited has told this Service that if Mrs A is able to provide reasonable estimates for the specified works, it will consider those as part of settlement of the claim, which is what this Service would also expect it to do. So I'm satisfied its response to the poor works has been reasonable.

As set out above this Service doesn't make punitive awards against a business, but our powers do allow us to award compensation for non-financial loss. DISP 3.7.2R says (amongst other things) that this Service can make awards for distress and inconvenience. Accredited made Mrs A an offer in that respect, of £300. But like our Investigator, I'm not satisfied this fairly recognises the impact of its poor handling and so I'm going to require it to increase the compensation to £500.

This Service has published guidance on how we make awards for distress and inconvenience (and other non-financial loss). An award of £500 recognises where the impact of a business' mistake has caused considerable distress, upset and or significant inconvenience and disruption that needs a lot of extra effort to sort out. I've no doubt it was distressing to have contractors carry out poor work to the home, especially when Mrs A considered she was being treated poorly on account of her gender. But key for this Service when deciding compensation awards is the length of time an issue has continued for, and whether a business took reasonable steps to put matters right.

I've seen reference on the file that Mrs A asked for £1,000 compensation from Accredited. But awards of this nature are typically for when there's been serious disruption to daily life with the impact felt for sometimes over a year, on account of the business' mistakes. This is separate, for example, from the inevitable inconvenience of having contractors in a home carrying out repairs needed as a result of the claim. This Service doesn't make awards for the inconvenience caused in having to make a claim, and unfortunately having to do so will generally always cause a degree of inconvenience.

The mistake in this claim was the poor workmanship by the contractors. Works started in October 2024; in February 2025 Accredited accepted those works had been poor and gave options to put matters right. As such I'm satisfied that £500 is fair compensation for the impact of its mistakes over the time period in question.

I can see Mrs A has had further issues since Accredited issued its FRL. I would expect Accredited to handle any further claims without delay. However, if Mrs A has any concerns

about the further damage, she can make a complaint to Accredited, and this Service, subject to our usual rules, including those about time limits.

My final decision

My final decision is that I uphold this complaint and I direct Accredited Insurance (Europe) Ltd to pay Mrs A £500 compensation, less any amount already paid.

Accredited Insurance (Europe) Ltd must pay the compensation within 28 days of the date on which we tell it Mrs A accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

If Accredited Insurance (Europe) Ltd considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mrs A how much it's taken off. It should also give Mrs A a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 7 October 2025.

Michelle Henderson
Ombudsman