

The complaint

Mr and Mrs P have complained about their loss assessing company Oakleafe Group Limited, they are unhappy with how it dealt with a claim on their behalf. They report poor communication, withholding of funds and poor work.

What happened

There was a fire at Mr and Mrs P's home on 11 April 2023 and, on 18 April 2023, they appointed Oakleafe to act on their behalf to manage and settle the claim.

Due to the damage, the family had to move into alternative accommodation (AA). It was agreed the repair scheme would be agreed between Mr and Mrs P's chosen contractor and the insurer's loss adjuster. By August the scheme had not been agreed, so a start date for works hadn't been set and the insurer was still only agreeing AA on a monthly basis – with Mr and Mrs P often dealing direct with the insurer's loss adjuster to get extensions agreed.

Once the agreement was in place for reinstatement, works began in around October 2023 and were expected to conclude, with the exception of the kitchen, by mid-December 2023. The family expected to be home for Christmas, with a kitchen pod provided, but some issues with works arose in late November and early December 2023. So that meant the return date had to be delayed until 28 December 2023.

Work at the home progressed in the New Year. But Mr and Mrs P became concerned about the quality of work completed. The contractors also threatened to stop work due to non-payment and, in February 2024, the boiler stopped working, leaving the family without heating and hot water for a few days over a weekend. Mr and Mrs P report they were unhappy when Oakleafe didn't look to arrange AA for them for that weekend, telling them instead to heat water in pots and pans.

The work programme didn't stop though, it continued and by April reinstatement was nearing completion. But Mr and Mrs P remained unhappy with the work and a snagging list was produced. The snagging included significant issues with joints on skirting, an incorrectly positioned light in the kitchen and a carpet installed without gripper rods. Plans to finalise the reinstatement programme were in place at the end of April 2024 and, on 3 May 2024, the insurer made the final claim settlement payment to Oakleafe, concluding the insurance reinstatement claim.

Mr and Mrs P had complained to Oakleafe. In a final response issued in May 2024 it said it had not caused any delays and it had updated its customer portal with important claim progress. It said it had no liability for the work of reinstatement contractors or other specialists appointed. Mr and Mrs P complained to the Financial Ombudsman Service.

Our Investigator said she would look at matters up until Oakleafe's final response in May 2024. She said if Mr and Mrs P had concerns about activity beyond that date, they'd have to make a further complaint. She said she felt Oakleafe was responsible for the reinstatement contractors and that it had caused some delays between January 2024 and

May 2024. She also felt Oakleafe could have better managed the AA arrangements around Christmas 2024. She said Oakleafe should pay £600 compensation.

Mr and Mrs P said compensation should be more like £6,000. They emphasized, as of March 2025, the reinstatement work was still not completed. They said Oakleafe seems disinterested and is no longer contacting them.

Oakleafe disagreed. It said it does not engage or appoint any contractors. So any delays or failures by the contractors were not its responsibility. It said its liability, derived from the insurance claim, ends with the last payment from the insurer – after that it is not completing regulated activity. And, as far as that goes, it was only ever its job to negotiate the claim to settlement with the insurer, it is not part of its role to coordinate or manage the reinstatement scheme or surrounding issues such as AA.

As neither party agreed with the Investigator's outcome, the complaint was referred to me for an Ombudsman's decision. I felt there were some aspects of the complaint I could not look at. I explained to the parties what they were. Mr and Mrs P indicated their disappointment in that respect but did not object. Oakleafe did not reply.

I also shared, in a provisional decision, what I thought about the parts of the complaint I felt I could consider. In short, I said I was minded to make Oakleafe pay a sum in lieu of a disturbance allowance, plus interest and £750 compensation. Mr and Mrs P did not respond in this respect. And Oakleafe did not reply either.

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.

I note that neither party has objected to my previous explanation that what happened after 3 May 2024, in a complaint against Oakleafe, can't be considered by this Service. So I won't comment on this any further.

Turning to the merits of the part of the complaint I could and have considered, I said provisionally:

"Lack of clarity

On 18 April 2023, Mr and Mrs P signed an agreement with Oakleafe to have it act on their behalf. Terms of Business (ToB) were provided at that time which set out what Oakleafe would do and certain things it wouldn't be liable for.

I know Mr and Mrs P were expecting Oakleafe to take over this claim for them and manage it, including the reinstatement works. From Oakleafe's responses during the claim and complaint I can see it never intended to offer such a full service to Mr and Mrs P. But I can also see why, having seen its ToB, their reasonable expectation remained that Oakleafe would take all of this on for them. That isn't what the ToB say but I think it lacks clarity in this respect, which caused Mr and Mrs P to expect more from Oakleafe than, in reality, they were ever going to get.

The ToB say Oakleafe will:

"act on your behalf to manage, calculate, negotiate & conclude your claim".

To most insured's who are looking for professional help with an insurance claim, that suggests all aspects of the claim will be dealt with by Oakleafe. Whereas, in actual fact, all Oakleafe intends to do is what is required to get a settlement agreed with the insurer.

There is reference in the ToB to the client being able to use Oakleafe's network of contractors. Oakleafe has said though that it doesn't appoint those contractors. I'm not sure that is truly the case. But in any event, what Oakleafe is clear about later on in the ToB is that other specialists, necessary to progress the claim, must be appointed by the client, in this case, Mr and Mrs P. What then happened here, during this claim, was that Oakleafe required a surveying company to be appointed to oversee the repair scheme. That surveyor was appointed by Mr and Mrs P. That appointment, effectively, meant the surveyor was responsible for progressing the insured work and, even if Oakleafe could be said to have appointed the contractor, I think the appointment of the surveyor effectively broke any chain of liability Oakleafe may have otherwise had for the reinstatement work.

But, as I said above, I don't think the nuances of the extent of Oakleafe's liability was clear to Mr and Mrs P from reading the ToB. I've not seen that Oakleafe was otherwise clear with them, in the early stages of its appointment anyway, about the ways it would act for them. I'll take that lack of clarity and the failure to manage their expectations into account when awarding compensation. I'll also be reviewing the complaint about AA as though Oakleafe had liability for that, even though that may not have been its intention. After all the AA provision was all part and parcel of this damage claim which Oakleafe had agreed to "manage, calculate, negotiate & conclude".

Progress of the claim (to end December 2023)

I think Oakleafe progressed matters with the insurer in a reasonably timely manner during this period. Agreement was reached with the insurer in May 2023 to cover professional fees and Oakleafe began arranging for scopes of work to be completed so a claim settlement could be negotiated with the insurer. When that scope was compared with one completed by the insurer, that showed items were missing from the insurer's scope and that scope was then amended.

Following agreement being reached on the scope, reinstatement work started in October and Oakleafe approached the insurer in November for payment. The insurer made payment to Oakleafe on 29 November 2023.

As the work progressed into December, certain issues arose and authorisation for variations to the planned work had to be sought. This caused a knock-on effect with AA, which I'll come onto shortly. But I can see that Oakleafe managed the variations reasonably, seeking necessary detail from the surveyor and negotiating with the insurer to get additional works agreed – such as installing a partition wall. Mr and Mrs P's loss assessor was then away from work in the last weeks of December and handed things over to a colleague to deal in his absence and that stage of the reinstatement work completed at the end of December 2023. That stage only completing at the end of December was later than planned but I can't see that was due to any failure by Oakleafe in managing and negotiating the claim with the insurer.

AA (to the end of December 2023)

I think Oakleafe failed Mr and Mrs P in this respect. Oakleafe's admitted role was to manage and negotiate the claim with the insurer. Oakleafe knew the reinstatement work, as of July was under review and still to be agreed. It also knew that Mr and Mrs P were in AA and would remain there until the first stage of the reinstatement work concluded – at which point they'd return home with the provision of a kitchen pod. Oakleafe also knew the family had some complex needs (part of the reason it had been important for Mr and Mrs P to have Oakleafe act on their behalf) and that the insurer was only agreeing AA on a monthly basis.

I'm satisfied that monthly agreement was likely reasonable initially. However, as time moved on and, by July the scope of reinstatement works was yet to be agreed, with Mr and Mrs P telling Oakleafe they were struggling to manage the on-going AA payments, I think Oakleafe should reasonably have gone back to the insurer to renegotiate the basis of the AA agreement. Instead I see that Mr and Mrs P took this on themselves and, in late July 2023 the insurer agreed to extend the AA provision to the end of September 2023. I think they suffered a lot of distress and inconvenience which could have been avoided if Oakleafe had managed this aspect of claim negotiations better.

Part of negotiating and 'concluding' a claim is securing payments. Oakleafe didn't ensure all of the AA payments due by the insurer were paid and in a timely manner. In around mid-November 2023 Mr and Mrs P found themselves having to chase for payment of around £4,000 for AA costs for the beginning fortnight of November 2023. These costs were submitted to the insurer with copy to Oakleafe at the start of November 2023. They were finally paid at the end of November 2023.

I think Oakleafe should reasonably have been checking on payments like this and following up with the insurer. Seemingly, when the insurer investigated, following enquiries from Mr and Mrs P, the report requesting payment of this sum had been overlooked. If Oakleafe had been following through to ensure all claim payments were made, I don't think the report would have been overlooked. I think Mr and Mrs P could have had payment of this sum about a fortnight earlier than they did if Oakleafe had acted to manage the situation as I think it should have done.

There was a further issue with AA in mid- December 2023. But I don't think Oakleafe failed Mr and Mrs P at that time. The reinstatement work had become delayed and completion of the first phase had been pushed back with the insurer agreeing AA until 21 December 2023. Mr and Mrs P had concerns about the deadline – and those concerns later proved to be valid, as work did not complete and their return home had to be postponed. However, I see that Oakleafe's representative handling the claim for Mr and Mrs P, made enquiries with the relevant parties and was assured work would complete as agreed on 21 December 2023. The representative was due to go on leave so he handed over to a colleague. The colleague then, as I understand it, made urgent arrangements for Mr and Mrs P when the AA, at very short notice, had to be extended until 28 December 2023. I have to bear in mind that, whilst Mr and Mrs P never believed the promise regarding works would be kept, Oakleafe – until after the colleague took over – was being assured work would complete. On that basis, unless or until shown otherwise, even if Oakleafe had approached the insurer about extending the AA past 21 December 2023, the insurer would have been unlikely to agree.

Progress of claim (January 2024 to 3 May 2024)

In the New Year, Mr and Mrs P had returned home and the second phase of reinstatement work was under way. As costs had been agreed previously, Oakleafe's involvement, at this time, was relatively limited – albeit I realise Mr and Mrs P didn't really know, expect or understand those limitations.

I can see that when variations to the second phase were required, Oakleafe stepped in to negotiate and agree those with the insurer. However, I also note that, in February 2024, the contractor and the surveyor were chasing Oakleafe for payments for reinstatement works. Oakleafe dismissed the contractor's concerns, telling it 'to be patient'. The contractor responded to remind Oakleafe that the agreement for works required timely payment with an option for work to cease if payment was not made. In the end payments were received and work did not cease but I understand this caused Mr and Mrs P an amount of worry.

I appreciate that Oakleafe couldn't force the insurer to make payments but I don't think its dismissive attitude was helpful. Oakleafe had put costs to the insurer's loss adjuster for confirmation on 1 February 2024 and it was 7 February 2024 when the contractor started chasing for payment. It seems likely to me the contractor's costs pre-dated 1 February 2024, and they were expecting payment within three weeks. Which meant that, by 7 February 2024 the issue for them had become urgent. That could have been managed better by Oakleafe – and given it was the party dealing with the insurer responsible for settling these claim costs, it was really the only party in a position to manage things.

Following this, the reinstatement work was expected to resolve by the end of March 2024 and this then later slipped to end of April 2024. When it completed there were snagging issues which needed to be addressed and resolved. But it wasn't for Oakleafe, as I've noted above, to manage the work in progress. I've not noted any other failure by it, with the exception of another issue of AA which I've dealt with below, through to 3 May 2024. I'll take the delayed payment issue in February 2024 into account when considering compensation.

AA and the boiler (February 2024)

The family returned home in the end of December 2023. The home, at that time, with provision of a kitchen pod and temporary repairs to the boiler, was habitable. However, in February 2024 the boiler failed and the family were left without heating and hot water. I can see that Oakleafe negotiated an additional claim settlement with the insurer and it acted urgently to agree replacement of the boiler. The boiler was replaced the following week. I'm satisfied Oakleafe expedited this variation to the works in such a way as to minimise upset to Mr and Mrs P. However, what I think was missing from Oakleafe's approach to the insurer was a request for further AA.

The home, without heating and hot water, was not habitable. It was February and there were children in the house. It was simply not reasonable for the issue of AA to not be put to the insurer as part of the variation to the claim. Even if Oakleafe thought it was not its job to put that to the insurer, it should reasonably have thought to tell Mr and Mrs P to speak with the insurer directly on this point. In this type of circumstance, I think the insurer would likely have agreed to emergency accommodation for the family, most likely in a hotel. I think it would also have agreed to pay a disturbance allowance for the family too. A disturbance allowance is often paid by insurers in this type of situation to cover the likely extra but unquantified costs incurred due to living in an uninhabitable home or somewhere not like your home. Mr and Mrs P likely wouldn't have known any of that – but Oakleafe should have done.

I accept it was distressing and inconvenient for Mr and Mrs P to stay in an uninhabitable home with children. I'll take that into account when awarding compensation. Further as the home was uninhabitable from when the boiler failed, until a new one was installed, but Mr and Mrs P and their family remained in-situ, I'll also likely require Oakleafe to pay them a disturbance allowance. Often an insurer will pay an allowance like this at a rate of £10 per adult, and £5 per child, per day, they stay in the uninhabitable home and I think it's fair to require Oakleafe to pay that in this instance. After all, if Oakleafe had handled this better, the insurer would likely always have paid them a disturbance allowance – whether that be for them staying in a hotel or in their uninhabitable home. And I think an insurer would always have paid that by 1 March 2024 at the latest. So I'll also require Oakleafe to pay to Mr and Mrs P a sum equivalent to interest applied from that date on the disturbance allowance total.

Compensation

I note Mr and Mrs P have said they are looking for £6,000. I appreciate that the claim has lasted for longer than they expected and I know it's been a stressful time. But I think this was always a claim that was going to take a while and I bear in mind that variations to work, which result in delays occurring, are often part and parcel of a complex claim like this.

I must also note that even where claims are delayed, this Service will only award around £5,000 in compensation where daily living has been significantly disrupted and/or upset has been caused by a respondent's failures, for a period lasting more than a year. The period I am considering here is only about a year in total – and not all of that equated to delays in the claim, nor upset being caused by Oakleafe's failures.

I'm also mindful of Oakleafe's objection made to our Investigator, of paying any compensation. Essentially it didn't think it was liable for any delays or had caused any upset. But I've set out above where I think delays occurred and upset was caused. And I'm particularly mindful here of what I said about the lack of clarity in the ToB and Oakleafe failing to manage Mr and Mrs P's expectations. Also I appreciate that the failures I identified regarding AA caused considerable distress and significant inconvenience, often requiring a lot of extra effort to sort out. Albeit often only over short periods of time. On balance. I'm satisfied that fair and reasonable compensation for Oakleafe to pay Mr and Mrs P is £750."

Neither party has commented on my findings on the merits of the complaint. As such I've no need to review or revise what I said provisionally. Rather I'll just confirm that my provisional findings are now the findings of this, my final decision.

Putting things right

I require Oakleafe to pay Mr and Mrs P:

- A sum in lieu of a disturbance allowance for the period the home was uninhabitable ie from when the boiler failed until it was replaced in February 2024, at a rate of £10 per adult and £5 per child, per day.
- An amount equivalent to interest applied on the total above sum from 1 March 2024 until settlement is made.
- £750 compensation for distress and inconvenience.

*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 Oakleafe to take off tax from this interest. If asked, it must give Mr and Mrs P a certificate showing how much tax it's taken off.

My final decision

I uphold this complaint. I require Oakleafe Group Limited to provide the redress set out above at "Putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P and Mr P to accept or reject my decision before 10 October 2025.

Fiona Robinson

Ombudsman