

The complaint

Ms U complains about the way Accredited Insurance (Europe) Ltd ('Accredited') dealt with an escape of water claim she made on her home insurance policy.

What happened

The following is intended as a summary of key events only.

Ms U reported an escape of water claim to Accredited in August 2024. Ms U said there were delays in resolving the leak and by the time it was stopped, there was already significant water damage. She also had concerns over how Accredited had handled the claim thereafter when they told her it had been cancelled. She said Accredited told her this was due to an unreported CCJ in her son's name, but Ms U said this was against somebody else. Ms U was later told that while the voidance would be lifted, the policy would be cancelled once the claim was finalised.

Ms U said Accredited refused to cover parts of the claim or alternative accommodation which meant she had to pay for this herself. And she said Accredited had caused considerable distress and mental health impact which saw Ms U take four months off work. She was also upset that her son had been accused of having a CCJ. She raised a complaint to Accredited.

Accredited considered the complaint and said Ms U's policy would only cover damage to items that could be shown to have been caused by an insured event. And they said the evidence only showed damage to a limited number of items; so, they offered a cash settlement of around £100. They also paid £100 for trace and access costs Ms U incurred, as well as covering £750 for temporary shower facility costs. But Accredited did agree there had been delays which would have caused some distress and inconvenience and awarded £250 compensation. Ms U remained unhappy with Accredited's response to her complaint – so, she brought it to this Service.

An Investigator looked at what had happened but ultimately didn't think Accredited needed to take any further action. He felt Accredited had been entitled to rely on public records for the CCJ search, and that most of the claimed contents were not evidenced as being damaged by the insured event. He also felt it was shown the property remained habitable during repairs, so alternative accommodation wouldn't be covered. And while he did accept there had been some delays and service failings; he felt the £250 compensation Accredited had already paid was fair in the circumstances.

Ms U disagreed with the Investigator's findings. She said her evidence and concerns had not been properly taken into account. Ms U explained that she and her children suffered from health problems which had been made worse by the damp and dust in the property, with her daughter and son both using inhalers for asthma. She said she moved her family into a hotel to November and December 2024 to protect the health while the repair works were undertaken. Ms U also felt damage to other items such as carpets, a television, and a ring light hadn't been properly considered.

Ms U asked for an Ombudsman to consider the complaint – so, it's been passed to me to decide.

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've reached the same overall outcome as the Investigator, and I don't uphold this complaint. I appreciate this will be disappointing to Ms U – so I'll explain why.

I should explain from the start that I won't be repeating the entirety of the complaint history here in my decision or commenting on every point raised. Instead, I've focussed on what I consider to be the key points that I need to think about in order to reach a fair and reasonable conclusion. This reflects the informal nature of this Service and our key function; to resolve disputes quickly, and with minimum formality. However, I want to assure both parties I've read and considered everything provided.

The main complaint points I will be considering as part of this decision focus on the initial delays in getting repairs started, what was covered under the claim, as well as Ms U's additional costs she's said she's incurred. I've referred to each of these points in turn below as part of my findings, for ease of reference.

CCJ and policy voidance

I appreciate Ms U says Accredited incorrectly voided her policy because of a CCJ that had nothing to do with her family, and I can understand why she would have felt upset by this.

Having considered the claim notes from Accredited, I think it was reasonable for them to act on a CCJ identified by public record information. Public records checks are a standard part of the underwriting process, and if there are errors, those need to be corrected with the courts. I can see from the timeline the issue was resolved relatively quickly. The CCJ was identified at the start of August 2024 and Accredited said they would be voiding the policy, but this was reversed after around three weeks after Ms U provided further evidence. It follows that I don't find that Accredited acted unreasonably in querying the CCJ or applying an initial avoidance given their underwriting criteria.

Contents settlement

Ms U says many of her belongings were damaged by the escape of water and Accredited unfairly limited the claim settlement. But Accredited outlined that they felt it could only be shown that a small number of items were damaged by the escape of water covered under the policy.

I've considered the policy terms as the starting point of this part of the complaint. I can see the terms only cover items which can be shown to have been damaged by an insured peril covered by the policy. On that basis, Accredited accepted a limited number of items which were supported by photos Ms U provided. But she also claimed for carpets, a television, and a large number of additional items. Accredited concluded the carpets would need to be replaced, but not because they were damaged due to water, but rather through wear and tear. And the reports provided as part of this claim didn't show any staining or water residue to the stairs or landing carpets. While I have carefully considered Ms U's submissions, I'm not persuaded the carpets can be shown to have been damaged by the escape of water.

In respect of the other items Ms U has claimed for, I've not seen that she has provided evidence that these were affected by the escape of water. So, I'm satisfied Accredited fairly settled the claim for items where damage could be shown to have been caused by the escape of water.

Alternative accommodation

Ms U has submitted she and her children moved into a hotel because their health was put at risk by dust and damp during repairs. But Accredited outlined that the property remained habitable during the repair process. So, while they considered alternative accommodation; this ultimately wasn't considered necessary.

I can see the policy provides cover for alternative accommodation costs where the insured property is uninhabitable due to an insured peril. Ms U said she moved her family into a hotel between November and December 2024 to protect their health, as she and her children suffer from asthma, and she was also signed off work due to stress and depression. She also says she notified Accredited of these concerns early on and was told that alternative accommodation would be provided if required.

While Ms U had said she told the Accredited about these health concerns, I've not seen any contemporaneous evidence of this. I understand why Ms U felt she needs to move out during the repairs, and she explained that both of her children have asthma, and she was worried about the effects of dust and damp on their health. She's also provided general guidance about the risks of dust exposure.

I don't doubt Ms U's concerns were genuine and I have taken them on board when considering this complaint. But I don't think the evidence demonstrates Accredited were told about these health issues or that the property had become uninhabitable. And without giving Accredited the opportunity to assess and arrange this; I don't think Accredited not providing or arranging alternative accommodation was unreasonable, given the information they held at the time which said the property would be considered habitable.

Accredited's claim notes show the surveyors did consider that the kitchen damage was relatively limited, with targeted drying initially applied and cooking facilities were still available. I've not seen any evidence to demonstrate Accredited told Ms U they would cover alternative accommodation costs in any event. Additionally, they did cover £750 of alternative showering facility costs while the bathroom was not able to be used. Ultimately, I think this was reasonable and proportionate in the circumstances.

I'm also satisfied the evidence which shows the property was habitable supports why I don't find it reasonable to direct Accredited to reimburse the £3,000 Ms U says she spent on food during this period. While she says her kitchen was unusable; the available evidence I've seen does not support this.

Overall level of service and claim handling

I understand Ms U has said she experienced delays, repeated requests for the same information, and confusion about what her policy covered. So, I've looked at the overall timeline of the claim to consider whether I think Accredited's service fell short.

I think the main areas of service level issues are focused on how the claim was handled after August 2024, when the CCJ issue was resolved. I can see from Accredited's claim notes that Ms U chased them for updates on what was happening, and I would have expected the claim to move forward more quickly at that stage. Instead, there seems to have been slow progress and drying the property was first assessed in late August 2024, but the initial

conclusions that the property would dry out naturally ultimately didn't happen. There were then more inspections before further drying and plastering works began at the end of November 2024. There were also conflicting explanations provided around whether Ms U's carpets would be included as being damaged by the escape of water.

Accredited accepted there had been some service failings and paid £250 for distress and inconvenience, which the Investigator thought was fair and reasonable in the circumstances. So, my role is to consider whether I think that's enough compensation to account for Accredited's actions while dealing with this claim.

A building claim comes with a certain level of inconvenience as standard. And I appreciate this situation has clearly left Ms U feeling stressed and upset, given her concerns over how Accredited dealt with the claim. So, my role is to look at any additional distress and inconvenience caused over and above a normal process. I've weighed up Ms U's testimony, the available evidence, and the duration of the process. Overall, I think the compensation already awarded of £250 is fair and reflects the impact of Accredited's actions for the delays experienced arranging for the works to be started.

I appreciate this may not be the amount of compensation Ms U had hoped for. And it may not ultimately change matters for her. But I consider this award to be appropriate in the circumstances, and I'm satisfied it provides a fair and reasonable outcome in this particular complaint.

My final decision

For the reasons I've given above, my final decision is that I uphold this complaint in part and direct Accredited Insurance (Europe) Ltd to:

- Pay £250 compensation, less any compensation sums already raised.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms U to accept or reject my decision before 16 October 2025.

Stephen Howard
Ombudsman