complaint

Mr and Mrs T are unhappy with how U K Insurance Limited (UKI) has handled their claim for subsidence made on their home insurance.

background

Mr and Mrs T noticed damage in their utility room. UKI assessed it but declined the claim. Mr T got a report (the cost of which UKI off-set against the excess) and the claim was accepted. There was then a lack of communication and errors. Repairs are now underway but it took longer than it should have to get there and it was more complicated than it should have been. UKI offered a further £200 compensation for this, it had previously paid £40.

Mr and Mrs T weren't satisfied. They said they'd had no use of their dining room or one of their garages during the claim and the utility room had been a building site. But more than this they said Mr T had to take time off work and when he works he gets paid £550 a day.

Our adjudicator felt UKI should pay a total of £440 compensation. He didn't think paying anything more would be fair or reasonable and explained that some inconvenience is a natural result of having damage which leads to a claim.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

This claim clearly hasn't been handled to the standard it should have been. But I think that making UKI pay a total of £440 compensation (£400 to pay as £40 has already been given) is fair and reasonable.

This claim has taken longer than it should have (and it's still underway so UKI will need to review things once it ends and I know Mr and Mrs T aren't happy with what's going on at the moment). But, even if it had been handled in a timely manner and with good communication, there would always have been a need for Mr and Mrs T to be involved. I've not seen that they had to take days off because of UKI's failures or that they would otherwise have been working/drawing a wage on those days.

While losing some of the space in your house is inconvenient this hasn't made Mr and Mrs T's home uninhabitable or, that I've seen, drastically impacted their life. And even if it has – it's only the upset linked to the delay/errors that I award compensation for, not the disruption that would always have happened anyway. So, overall, I think total compensation of £440 is fair and reasonable in the circumstances here. Given what's already been paid I'm going to award Mr and Mrs T £400.

my final decision

I uphold this complaint. I require U K Insurance Limited to pay Mr and Mrs T £400 compensation. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs T to accept or reject my decision before 5 February 2016.

Fiona Robinson

ombudsman