

The complaint

Mr C complains that Accredited Insurance (Europe) Limited have provided a poor standard of service when dealing with his claim regarding a leak, offered an inadequate settlement, delayed in completing repairs, provided poor quality repairs, and not compensated him adequately for his electricity costs or for alternative accommodation.

What happened

Mr C held a buildings and contents insurance policy with Accredited.

In December 2022 he had a leak from a burst pipe in his loft affecting several rooms in his property.

A surveyor was instructed to assess the damage in January 2023 and prepared a scope of works. The claim was then referred to the underwriters and approved.

A cash settlement was offered, but Mr C didn't think he could get the work done for the sum offered and so in February he asked Accredited to complete the work using their own contractors.

Work was scheduled to start in May and by August 2023 the repairs were still not completed so Mr C complained to Accredited about the delay in dealing with the claim, the unresponsiveness of the claim handler and the impact it was having on his family. He was also unhappy about the reimbursement of the drying costs, and the quality of the work.

Accredited responded, only addressing the issue of the drying out costs. Mr C wasn't happy with this and brought his complaint to us.

One of our investigators has looked into Mr C's complaint. He upheld the complaint and recommended that Accredited should reconsider the schedule of works in relation to the flooring, review the electricity calculation, and pay £500 for the distress and inconvenience caused.

Accredited and Mr C both disagreed with our investigator's view, and so the case has come to me to review.

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.

In this case I have to consider whether Accredited have decided the claim in line with the terms and conditions of the policy and provided a fair and reasonable service.

I have reviewed all the evidence including the scope of works, and Mr C's submissions about the failings.

I'm intending to uphold Mr C's complaint, but I don't agree with all of his complaint points. I am also taking into account what Accredited have already agreed to do following our investigator's view.

Scope of works settlement

The surveyor visited shortly after the incident and validated the claim. The scope of works included replacement of the bedroom ceiling and associated decorating works to the ceiling and walls and replacement loft insulation, replacement of the plasterboard and laminate in the bathroom and associated painting and decorating, replacement of the kitchen ceiling and the laminate floor and associated decorating, replacement of laminate flooring in the living room, downstairs toilet and hall and decorating to those areas.

Mr C was unhappy with the cash settlement offered as he said that it wasn't sufficient to cover the work. I haven't been provided with the detailed breakdown of the settlement offered, nor any alternative quotes for the scope from Mr C, so I can't fairly say that this was an unreasonable amount. In any event, Mr C chose to reject the offer and agreed that the work should be completed by Accredited's contractors, so as a cash settlement was taken off the table, it's not necessary for me to comment on it further.

Quality of the repairs

Mr C said that one of the repainted bedroom walls required further drying and that the paint has bubbled. He also said that the laminate has been removed in two rooms that it was not needed in and left in the one room from which it should have been removed. He also argues that there is damage to the kitchen cupboards which hasn't been included in the scope.

I can see that the damp readings were taken on 12 January and Accredited issued a drying out certificate. However, Mr C has said that subsequently the paint bubbled after the remedial work in August. Accredited asked a contractor to revisit and undertake any remedial work. A revisit took place in August, and further damp readings were taken, which also showed that the walls were dry. However, they did note that the staining was coming through because stain block hadn't been used and recommended remedial work to include painting with stain block.

In terms of the laminate flooring, the scope clearly says that laminate replacement is needed for the bathroom, kitchen, lounge, hall and downstairs toilet. It is not listed for the bedroom. It looks from the photographs that it has been removed from all of the upstairs rooms including the bedroom but not from the downstairs study. There seems to have been a dispute from Accredited about who removed it and whether they should replace it. Our investigator recommended that Accredited revisit this and replace any flooring that had been removed. Accredited have confirmed that having investigated, they will now replace all the removed the flooring – and I would expect them to replace all that is included in the scope as well if it differs.

Mr C has raised that there is also damage to the flooring in the office and also to the kitchen cupboards. However, these were not in the original scope. Mr C says that he has raised this with Accredited, but I can't see any record of that and so I can't make any finding about it. Accredited will now need to consider this and assess whether there is any damage, and Mr C will need to raise a separate complaint if appropriate.

Electricity calculation

Mr C says that he hasn't been paid correctly for the excess electricity used in the drying process. Accredited say it has been calculated in the way all claims are calculated, which is

comparing the same month in the previous year and then paying the difference. They have offered £319.86 for this.

However, any additional costs for January haven't been calculated. I understand that following the view issued by the investigator, Accredited have agreed to calculate the January payment on the same basis once a January bill is produced.

Alternative accommodation

In the policy terms and conditions it says:

*"We will pay up to £75000 for:
The reasonable and necessary costs for alternative accommodation for you and your family and
Any rent which you have to pay
If you cannot stay in your home because your home has become unfit for living following loss or damage that is insured by this section."*

The policy doesn't define "unfit for living". We would generally look at whether there was a usable kitchen and bathroom, and whether it was safe to remain in the property, taking into account the age, health and circumstances of the consumer and their family living in the property.

Mr C has said that the house was uninhabitable because carpet had been removed, leaving tacks. The scope of works confirms that there is a risk of "*slips, trips and falls, dust present, trailing wires/cables*"

I've thought about this, and about what makes a house unfit for living in, and I haven't seen any evidence here that this was the case. Mr C retained full cooking and bathing facilities, and although the floorcoverings had been removed, and there were some tacks to be navigated, I don't think that this made the house sufficiently unsafe for it to be classed as unfit for living.

There is always some level of inconvenience and compromise when a claim is being sorted out, but it would need to be more than is evidenced here for alternative accommodation to be reasonable.

Failings in the service provided

Having looked at the timeline, I can see that Accredited acted quite quickly to get into the property and examine the damage. It also appears that drying out and stripping out was complete by 12 January. However, repair works weren't started until May, and by January 2024 they still weren't completely finished, with flooring still outstanding.

As the flooring replacement was always on the scope, I don't think any delay in replacing it was reasonable. Accredited have said there were supplier issues and delivery was expected around December 2023. I appreciate that there are often delays on obtaining materials, but laminate flooring isn't a specialised item and could have been obtained from elsewhere, so I don't think this delay between August and December is reasonable. I can also see that there has been some confusion about what was being replaced, but given that the scope was done in January 2023, I can't see any reason why.

Mr C has found dealing with Accredited frustrating, having to make a large number of calls, and having to repeat the issues time and again. While I accept that it may not be always possible to have a dedicated claim handler, if the matter had been dealt with more efficiently,

and without unnecessary delay, he would not have had to make so many calls, and so I do think Mr C has suffered unnecessary inconvenience as well.

And so I'm satisfied that it is appropriate to award Mr C a payment for the distress and inconvenience caused, and I agree with the recommendation made by the investigator of £500 as it represents a payment for delays and inconvenience over a period of several months

Putting things right

I think that Accredited should:

- Replace flooring in line with their scope of work and replace flooring in rooms it has been removed from.
- Recalculate the electricity payment to take into account January once Mr C has provided a bill for January 2023
- Pay Mr C £500 for the distress and inconvenience caused by the delays and poor claim handling

My final decision

My final decision is that I am upholding Mr C's complaint and directing Accredited Insurance (Europe) Limited to put things right as above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 15 May 2024.

Joanne Ward
Ombudsman