

The complaint

Mr and Mrs A complain about how Accredited Insurance (Europe) Ltd handled an escape of water claim they made on their home insurance policy.

Reference to Accredited includes its agents.

What happened

Mr and Mrs A hold a home insurance policy with Accredited. When their home suffered an escape of water, they made a claim for the damage. Accredited accepted the claim and set about fixing the damage.

Mr and Mrs A complain about how that claim was handled. They say there were delays in starting the works, and while this was happening, they were left to live in a damp house. Mrs A was pregnant at the time and has said she worried for the health of her and her baby. They said they asked to be put in alternative accommodation a number of times but were only put into it when Mrs A developed hypertension. They've said they had to extend the alternative accommodation themselves because the property wasn't clean for them on their return.

One of our Investigators recommended this complaint be upheld. She didn't think there were any substantial unreasonable delays in appointing contractors to start the works. She noted Mr and Mrs A were given the option to cash settle earlier in the claim and chose not to. And she wasn't persuaded that if they had cash settled, they'd have been able to appoint their own contractors any sooner.

She thought technically the home was habitable. But given Mrs A was pregnant and considering the nature of that pregnancy, she thought Mr and Mrs A should have been moved to alternative accommodation sooner. She also didn't think it fair Mr and Mrs A had to extend the alternative accommodation themselves.

Our Investigator recommended Accredited reimburse Mr and Mrs A the amount they'd paid for extending the alternative accommodation. And she recommended it pay them £800 compensation for the distress and inconvenience caused throughout the handling of the claim.

Both Accredited and Mr and Mrs A disagreed.

Accredited agreed it needed to reimburse the extended alternative accommodation – and it told us it's now done that. But it thought £800 was too high. It maintained the property was habitable and said it acted quickly to move Mr and Mrs A into alternative accommodation when it found out about Mrs A's health.

Mr and Mrs A didn't think this was enough. They said it didn't come close to the worry and stress they'd experienced throughout the claim. And they said there's still outstanding issues that need to be addressed in relation to the repairs.

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'm upholding it. I'll explain why below. But before I do, it's important to set out the scope of this complaint. Within this decision I'll be looking into events up to Mr and Mrs A returning to their property. I'll not be looking into any outstanding work that Mr and Mrs A say needs doing. This is something Accredited needs to address itself. If things remain in dispute after it's done that, that might be a separate complaint we can consider.

In our role as an informal service, I'll also not be commenting on every point that's been made or detailing everything that's happened. I'll focus on what I consider to be the key points. The background of this complaint and what's happened is well known to both parties and for the most part, isn't in dispute.

What is in dispute is whether or not Mr and Mrs A should have been moved into alternative accommodation earlier. And considering that, and the other things that happened throughout the claim, what amount of compensation needs to be paid to put things right.

Having any claim is likely to cause distress and inconvenience, especially one where more than one room is affected. That distress and inconvenience isn't Accredited fault though, it's simply a consequence of the event causing the claim. I need to consider whether Accredited's actions or inactions added to that distress and inconvenience unnecessarily.

Here, additional stress was caused because Mrs A was pregnant throughout the claim. This too isn't something Accredited had any influence over, naturally, but it is something they were aware of, and I think, something they should've considered when looking into alternative accommodation.

Our Investigator found that up to appointing contractors to carry out the work there were no significant delays. From what I've seen, I think that's reasonable. Mr and Mrs A were offered the option to cash settle earlier in the claim and declined this initially. I've not seen anything persuasive to show Mr and Mrs A could have carried out the repairs themselves earlier. There was however a small delay between Mr and Mrs A opting to use Accredited's contractors and that work beginning.

Between making the claim and the works starting, the property needed to be dried. This is standard practice and while this happens a degree of distress and inconvenience will be caused. But during this time Mr and Mrs A asked on more than one occasion to be moved into alternative accommodation. Accredited said the property was habitable, and I think it was right to say this. But I think given Mr and Mrs A's specific situation, they should have been placed into alternative accommodation sooner.

Mr and Mrs A were put into alternative accommodation when Mrs A developed hypertension as a result of the distress caused by living in the property and the worry about Mrs A and their baby's health. Whilst I understand Mr and Mrs A's concerns, I've not seen anything to persuade me the property would have detrimentally impacted Mrs A or the baby's health. But, I acknowledge the worry would have been stressful. And that stress could have contributed to Mrs A developing hypertension. And I think this stress, and therefore potentially the hypertension Mrs A developed could have been avoided.

In addition, the property wasn't ready to be moved back into when Mr and Mrs A thought it would have been. They've said they had to hire cleaners but haven't been able to evidence what it cost them to do this. They did however have to extend the alternative accommodation

out of their own pocket. I don't think this is something they should have had to do. I'm pleased that's now been refunded. But this will have all added to the distress and inconvenience caused.

It's difficult to put a monetary figure on the distress and inconvenience caused in any complaint. How much distress and inconvenience has been caused to any individual is more often than not a very personal opinion. I understand Mr and Mrs A are emotionally invested in what happened in this complaint. And I can understand why. I also have some sympathy with Accredited's position that the property was habitable all the time. But ultimately, I think it should have done more here considering the circumstances Mr and Mrs A were in and moved them to alternative accommodation sooner. Had it done so, I think a significant amount of distress, and to a lesser extent inconvenience, could have been avoided.

So, to put things right, Accredited should pay Mr and Mrs A £800 compensation.

My final decision

For the reasons set out above, I uphold this complaint and require Accredited Insurance (Europe) Ltd to:

- Pay Mr and Mrs A £800 compensation for the distress and inconvenience caused throughout this claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A and Mrs A to accept or reject my decision before 26 July 2024.

Joe Thornley
Ombudsman