

The complaint

Mrs K complains that AA Underwriting Insurance Company Limited have provided poor service, delaying her claim and causing her distress and inconvenience.

What happened

Mrs K held a buildings and contents insurance policy with AA.

In December 2022 Mrs K had a leak from burst pipes in the loft of her bungalow. Damage was caused to ceilings, walls and floors throughout the property.

AA accepted Mrs K's claim for an escape of water, and a surveyor went out to the property on 15 December 2022.

Mrs K was in alternative accommodation from January 2023 while repairs were undertaken but complained that there were unnecessary delays in resolving her claim. In particular she says there were delays in setting up the dehumidifiers to dry out the property, and delays in the repairs.

Mrs K has made two complaints to AA, one on 19 January 2023 which resulted in a £150 payment and a final response on 9 March 2023 and one on 23 October 2023 in which AA awarded a further £450 payment to compensate for delays between 19 January 2023 and 23 October 2023. This final response was sent on 4 November 2023

Mrs K wasn't happy with the outcome of the second complaint and the payment of £450, so she brought her complaint to us.

One of our investigators looked into Mrs K's complaint. She thought that Mrs K was out of time to bring the 9 March 2023 complaint to our service as it was outside the six month time limit. However, she agreed we could look at the 4 November 2023 response awarding £450. She considered all of the information provided by Mrs K and AA, and said that the award of £450 was fair for the delays experienced.

Mrs K disagreed with our investigators view, and so the case came 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.

Firstly, I have looked at whether we can consider both of these complaints. I agree with the investigator that the first complaint is out of time. The final response was received by Mrs K on 9 March 2023, which means that the deadline for bringing this complaint to us was 6 September 2023. I have seen no reasons why Mrs K could not have brought this complaint to us within that time limit, and so I am satisfied that it is out of time.

The second complaint, however, was brought to us within the time limits, and so I have gone on to consider issues between 19 January 2023 and 4 November 2023.

It is important to understand that this was a large escape of water claim, which resulted in extensive damage to several rooms. The property is a bungalow, and so as the burst pipes were in the loft there was damage to most living areas, and we would expect a claim as extensive as this to take some time to resolve.

So, I've considered the claim notes to see what action was taken and when to consider whether there were any unnecessary delays caused by AA and their contractors – and then whether the award of £450 is fair compensation to recognise these. I have also looked at issues relating to the alternative accommodation.

Delays in repairs

I can see that AA's contractors attended on 15 December 2022 to assess the damage. Unfortunately, due to the water damage, there was no power at the property and so drying equipment couldn't be installed until a temporary electrical board was installed. Asbestos testing was also required to the Artex before work could start.

On 31 December 2022 drying equipment was put into the property but couldn't be turned on because further asbestos testing was required.

Asbestos testing was completed on 4 January 2023 and on 6 January 2023 the drying equipment was turned on.

Mrs K raised a complaint and was compensated for the delays up to 19 January 2023.

The property was being dried throughout February but Mrs K was concerned that it was all starting to smell and her contents needed removing.

At the end of February 2023, AA advised their contractors that the contents should be removed as soon as possible to assist drying. However, it doesn't seem that the contents were removed until late March. The fridge and freezer were emptied of rotting food at the same time, and all affected floor coverings were removed and disposed of. Looking at the notes I think there was some unnecessary delay in removing the contents and that the failure to remove them sooner likely impeded the drying process to this point.

The strip out started towards the end of March and was completed by 8 May 2023. Contents were removed and were all assessed, cleaned and sanitised off site during May and June and placed in storage ready for Mrs K's return. All items that were beyond economic repair were listed and costed.

A drying out certificate was issued on 30 May 2023 although some restoration work had already begun prior to that and an estimated date for completion was given for the end of August/September.

However, in July the technician raised concerns that the flooring still hadn't been removed which was impeding ability to properly assess the flooring timbers and solum areas. Flooring was then removed and reinstatement continued, with most being completed around the end of September. Some repairs were due to run into October, and so the alternative accommodation was extended.

Overall I can see that there were some delays between January and October, mainly in relation to removal of contents - which appears to have caused an overall delay of around 2-3 months.

I can understand how frustrating these delays would have been for Mrs K, and that she was anxious to get back into her home as soon as possible - however, as I said previously, with damage this extensive it will always take time to get the repairs completed. And so I'm satisfied that the compensation paid of £450 is fair for the distress and inconvenience caused by the delays here.

Alternative accommodation

AA's contractors told AA on 21 January 2023 that alternative accommodation would be needed for months because of the level of damage. I can't see that AA offered to secure accommodation for Mrs K, but she found a holiday let herself which was willing to accept her and her dogs. I think given that she had already been identified as vulnerable, AA could have done more here to assist, but fortunately as Mrs K was able to find somewhere, I can't see that she was significantly disadvantaged by this. AA may not have been able to find anything more suitable that close to Christmas themselves.

Mrs K had to chase payments with AA in the first month but later payments were paid in a timely manner, and although I accept it caused Mrs K some worry having to chase AA initially Mrs K has been able to stay in the alternative accommodation throughout the period I am looking at, and the cost has been covered in full. So, I don't think AA have acted unfairly here, and whilst I appreciate that Mrs K would have been happier in her own home, the accommodation was suitable.

My final decision

My final decision is that I'm not upholding Mrs K's complaint about AA Underwriting Insurance Company Limited and so they don't need to do anything further. .

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 30 July 2024.

Joanne Ward
Ombudsman