

The complaint

Mr R and Mrs R complain about Advantage Insurance Company Limited's ("Advantage") delay in dealing with their claim under their home insurance policy.

Mrs R has acted as the main representative during the claim and complaint process. So, for ease of reference, I will refer to any actions taken, or comments made, by either Mr R or Mrs R as "Mrs R" throughout the decision.

Advantage are the insurers of Mrs R's policy. Part of this complaint concerns the actions of an agent. So any reference to Advantage includes the actions of the agent.

What happened

Mrs R made a claim under her policy following an escape of water which caused damaged to her utility room. Mrs R was unhappy with how the claim was being handled, so she complained. In particular, Mrs R felt things were taking too long, she had to keep chasing for updates as Advantage weren't keeping her informed and about the start date for the works being changed a number of times.

Advantage responded and agreed there had been delays in the claim. They also acknowledged that, after giving Mrs R an original start date for the works, this was pushed back on a few occasions. Advantage also accepted there had been communication issues between the agents involved in the claim and that it had taken around five weeks for costs to be approved. Advantage also accepted that Mrs R had to chase the contractors and supplier by email and phone on a number of occasions for updates on the claim and in order for the claim to be progressed. Advantage apologised for the errors and offered £200 compensation.

Our investigator looked into things for Mrs R. He agreed Advantage had made errors in their claims handling and recommended they increase their offer of compensation to £450. Advantage disagreed so the matter has come to me for a decision.

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 decided to uphold the complaint. And, I think the investigator's recommendation here is a fair way to resolve matters.

My role requires me to say how a complaint should be settled quickly and with minimal formality and so I'll focus on what I consider to be the crux of the complaint and the main areas of dispute. I think it's important to add, I won't be commenting on every event during the claim and complaint process, instead I have taken a broad approach to the overall service provided. I think it's also important to make the point that my decision only covers the events up to Advantage's complaint response dated 13 March 2024.

Firstly, I've looked at the service given to Mrs R. The key facts about the complaint aren't in dispute. Advantage have admitted they got things wrong by causing delays in the claim and also in the communication with Mrs R. The only issue I have to decide is whether Advantage's offer to put things right is fair and reasonable.

I think it's right that Advantage should compensate Mrs R for the upset, frustration and inconvenience caused by their poor service. To help decide what a fair and reasonable level of compensation should be, I've looked at the errors by Advantage and what the impact of those errors have been.

The information shows Mrs R reported the incident to Advantage on 1 August 2023, and they appointed an agent the same day to assist with the claim. A surveyor then attended and provided a report. Just under two weeks later a contractor was appointed and Advantage say the strip out work was booked for 31 August 2023. The information shows Advantage then received the contractor's costs for approval of the reinstatement work on 18 September 2023. Advantage say these costs weren't approved by them until 23 October 2023. This is around five weeks later, so I agree with Advantage's view that there has been delay here. The information also shows Mrs R had to chase for an update on 16 October 2023 and the claim notes say Advantage spoke with their agent who said they'd had difficulty contacting their contractor, "...*who are due to do the strip outs at the property.*" It's not clear from the claim notes why the strip out work wasn't carried out on 31 August 2023, but the note here suggests this was still yet to take place.

Following the costs being approved, it's not clear from the claim notes why things weren't being progressed more promptly. For example, there's a task note dated 7 November 2023 prompting Advantage to check for an update from their agent. There's then an email from the agent to Advantage on 21 November 2023 saying the contractor had submitted additional costs for further damage they'd found. Advantage then chased their agent for an update on 1 December 2023 and the claim notes then show an email dated 5 December 2023 from the agent to Advantage saying they, "...*have a date pencilled in for strip out works to commence on 19th of December for 3 days.*"

I can see an email was sent by the agent to Advantage on 28 December 2023 which said they were chasing the contractor for a start date. A further email was sent by the agent to Advantage on 9 January 2024 which said the contractor was still looking into arranging a start date, followed by another email on 12 January 2024 which said the contractor still hadn't confirmed a start date. There was a further email dated 16 January 2024 where the agent confirmed they were still chasing the contractor for a start date. A start date was then arranged for 12 February 2024, but the claim notes show this had to be pushed back to 19 February 2024 as the contractor was waiting on materials. This date was then pushed back again to 11 March 2024 – but the contractor wasn't able to start on this date also.

Taking this all into account, there have been periods of avoidable delay – but I don't agree with Advantage's view that this is limited to only five weeks. As I've referred to above, there are additional periods where things weren't being progressed promptly, for example, the two months following the costs being approved and also in January 2024. It's clear this was becoming very upsetting and frustrating for Mrs R, as well as causing her inconvenience in having to chase for updates.

Advantage say, while they acknowledge it was frustrating for Mrs R for the start date to be moved on a number of occasions, they can't be held responsible for materials being delayed which in turn delayed the start of the works. I acknowledge the point being made by Advantage here, but the fact is they're handling the claim for repairs and it's their contractor and supplier who is experiencing problems in obtaining the materials. I would expect an insurer in such circumstances to consider any other appropriate options but, apart from

discussing the possibility of a cash settlement – which Mrs R didn't wish to take up – I can't see Advantage considered any other options if a particular contractor and supplier was experiencing problems which in turn were causing delays.

In addition to this, it's clear Advantage were aware their contractors were having difficulties obtaining the materials, yet they still continued to set dates for the work to start. It was clearly very frustrating for Mrs R to be given start dates which weren't then met - and this happened on a number of occasions. While I acknowledge Advantage say there were delays in receiving the materials, I don't believe they've adequately managed Mrs R's expectations here by continuing to provide start dates in circumstances where they were aware this was dependent on delivery of the materials. It appears Advantage did later recognise it would be more appropriate to book a date once all materials arrived as, following the 11 March 2024 date also being pushed back, they say in their complaint response that Mrs R, "*...would be provided with a new start date upon arrival of all materials to complete the work on your home for your claim.*"

Mrs R has also described the impact the delays have had on her health as well as a health condition which is being impacted by the stripped-out utility room. The claim notes refer to the utility room needing to be fully stripped out and the schedule of works supports this. So, I'm persuaded by Mrs R's testimony about the impact the delays and stripped out utility room has had on her health.

So, taking into consideration the impact on Mrs R, I don't think Advantage's offer of £200 goes far enough to recognise the impact on Mrs R. I think there has been considerable upset and frustration caused to Mrs R given the periods of delay and the start date being moved a number of times, and significant inconvenience in having to keep chasing Advantage for updates. So, taking into account the full impact on Mrs R, I think Advantage should increase their offer of £200 by £250, bringing the total compensation to £450.

Putting things right

I've taken the view that Advantage have made errors in their handling of Mrs R's claim. So, in addition to the £200 already offered, they should increase their offer by an additional £250 for the upset, frustration and inconvenience caused – bringing the total compensation paid for this complaint to £450.

My final decision

My final decision is that I uphold the complaint. Advantage Insurance Company Limited must take the steps in accordance with what I've said under "Putting things right" above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R and Mrs R to accept or reject my decision before 18 December 2024.

Paviter Dhaddy
Ombudsman