

The complaint

Mr and Mrs H have complained about the settlement and service they received in response to a claim under their farm insurance policy.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here.

I issued a provisional decision on this complaint on 5 December 2023 in which I set out what I'd provisionally decided and why as follows:

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

I think I need to make it clear first of all that I am not able to address or comment on any of the issues that the ombudsman dealt with in his final decision on Mr and Mrs H's previous complaint. If Mr and Mrs H don't think NFU has complied with this decision, this is something they will need to raise directly with NFU. And if they feel they need to take action to make sure NFU comply with the decision that is a matter for them and their representative. Neither can I consider anything that happened after the ombudsman's decision to 31 March 2021 when NFU issued its final response on the complaint issues at this time. This is because Mr and Mrs H asked us to consider their complaint about these issues after the six months allowed following NFU's final response.

This means the only things I am able to deal with in this decision are as follows:

☐ *What NFU needs to pay as part of its settlement of Mr and Mrs H's claim in respect of solar panels. This is because this is a claim settlement issue and the previous ombudsman did not consider exactly what items should be included in the claim settlement in his decision. He simply said NFU needed to settle Mr and Mrs H's claim in accordance with their policy terms.*

- *Whether NFU should pay interest on any amount due for solar panels.*
- *What NFU should pay in compensation for the distress and inconvenience Mr and Mrs H experienced as a result of any failings on its part in dealing with their claim after 31 March 2021.*

NFU has now made an offer to pay £9,523.80 for solar panels. Bearing in mind these do not appear to fall under the definitions of buildings in Mr and Mrs H's policy, this seems more than reasonable to me. I say this because it represents what Mr and Mrs H paid for them, net of VAT.

I consider NFU needs to pay interest on the amount due for the solar panels because it has accepted they should be taken into account in the claims settlement and it was provided with an invoice for them in May 2019. Mr and Mrs H have not replaced them, but should have had what was due to them soon after NFU received the invoice and knew they were part of Mr and Mrs H's claim. So, I think it is fair and reasonable for NFU to pay interest on the

amount it has offered for them at 8% simple from 1 June 2019 to the date of actual payment. This start date allows some time for processing the claim for this item. I have noted Mr and Mrs H's point about lost income from not having the solar panels, but this is not something they have raised before with NFU as far as I can see. So it is not something I can consider in my decision.

I agree Mr and Mrs H do seem to have experienced unnecessary delays in the settlement of their claim from 1 April 2021 up to the point they raised this complaint with us. And I agree with our investigator that the £750 in total NFU has now agreed to pay is fair and reasonable compensation for this.

I gave both parties until 19 December 2023 to provide further comments and evidence in response to my provisional decision. Both parties have said they have no further comments or evidence to provide.

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.

As neither party wishes to provide any further comments and evidence in response to my provisional decision, I see no reason to reach a different conclusion on the fair and reasonable outcome to Mr and Mrs H's complaint to the one I set out in it.

Putting things right

For the reasons set out in my provisional decision, I've decided to uphold Mr and Mrs H's complaint and make NFU pay them the following:

- £9,523.80 for the solar panels that were damaged.
- Interest on this amount at 8% per annum simple from 1 June 2019 to the date of payment.
- £750 in compensation for distress and inconvenience.

My final decision

I uphold Mr and Mrs H's complaint and order The National Farmers' Union Mutual Insurance Society Limited to do what I've set out above in the 'Putting things right' section.

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

Robert Short
Ombudsman