

The complaint

Mrs C has complained about how St Andrew's Insurance Plc (St Andrew's) dealt with a claim under a home insurance policy.

I'm aware Mrs C is represented but, for ease, I've normally only referred to Mrs C.

What happened

Mrs C contacted St Andrew's following a water leak in her home. St Andrew's accepted the claim. Mrs C later complained because of delays with dealing the claim and the cash settlement offered.

When St Andrew's replied to the complaint, it accepted there had been delays in progressing the claim, for which it offered £150 compensation. However, it said it was unable to provide a breakdown of costs for the scope of work as this was business sensitive information.

So, Mrs C complained to this service. Our investigator didn't uphold the complaint. He said St Andrew's had been responsible for some delays, but noted Mrs C had caused some delays during the claim as well. He also said it was also reasonable for St Andrew's to settle the claim at the cost to itself and not to provide Mrs C with a breakdown of the costs. He said the £150 compensation St Andrew's offered was fair in the circumstances.

As Mrs C didn't agree, the complaint was referred to me.

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 don't uphold this complaint. I will explain why.

St Andrew's told Mrs C it could settle the claim by its contractors doing the work or by it paying a cash settlement. Mrs C opted for a cash settlement. St Andrew's said it would only pay the amount it would have cost it to do the work, rather than the amount in a quote Mrs C had obtained. Mrs C wanted the claim paid at the cost to her and to get a breakdown of how St Andrew's had calculated its settlement figure.

Looking at the policy wording, this allowed St Andrew's to decide how to settle the claim. Where an insurer offers to carry out the repair and a policyholder chooses to accept a cash settlement, this service would say it was fair for the insurer to offer the amount it would have cost it to do the work as the settlement amount. I don't think it was unusual that St Andrew's offered a lower amount than Mrs C's quote, as an insurer can often get better rates than a policyholder. But it didn't need to pay the amount in Mrs C's quote because she didn't want St Andrew's to do the work. Based on what I've seen, I think St Andrew's offer to settle the claim was fair in the circumstances.

Mrs C also wanted to see the breakdown of how St Andrew's had calculated the cash settlement amount. St Andrew's said it wouldn't provide this as it was commercially sensitive. I'm aware a member of Mrs C's family offered to sign a confidentiality agreement to see the full breakdown. However, insurers don't have to provide business sensitive information, such as the rates they've negotiated with contractors, and I can't require it to do so.

Mrs C has more recently raised concerns with this service that the tiles used to calculate the settlement weren't of a similar quality to the damaged ones. She has also said the room measurements were wrong. Mrs C would need to raise these issues with St Andrew's in the first instance, so it has the chance to consider them. I'm unable to comment on them as part of considering this complaint.

Mrs C also complained about delays with the claim. I have looked at what happened and can see there were some delays caused by St Andrew's contractors, such as not following up on the trace and access quote as quickly as it could have and having to be chased for progress. I note Mrs C also seemed to contribute to the delays. For example, she seemed to turn contractors away, as she didn't want trace and access carried out to find the source of the leak and also had to be chased for a response on how she wanted to settle the claim. So, I think St Andrew's was responsible for some elements of the delays with progressing the claim, but not all of them. I think the £150 compensation St Andrew's offered was reasonable in the circumstances.

So, having considered all of the above, I don't uphold this complaint or require St Andrew's to do anything further in relation to it.

My final decision

For the reasons I have given, it is my final decision that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 13 November 2023.

Louise O'Sullivan
Ombudsman