

The complaint

Mrs H complains about the length of time it took UK Insurance Limited trading as Churchill Insurance (UKI) to complete remedial works following a claim on her buildings insurance policy to repair damage caused by a blocked drain.

Any reference to UKI includes the actions of its agents.

What happened

The circumstances of this complaint are well known to both parties, so I've summarised events.

- Mrs H has a buildings insurance policy which is underwritten by UKI. She made a claim on it in 2017 when a drain at her property became blocked due to root ingress.
- UKI accepted the claim, and its contractor repaired the drain in July 2017, but the remedial works weren't completed until approximately two years later.
- In October 2021, Mrs H made a complaint about the contractor's workmanship.
- In November 2022, an Ombudsman issued a final decision partially upholding the complaint, saying UKI needed to replace a manhole cover but that she hadn't "*seen enough evidence to conclude that Company U's workmanship was of poor quality and led to later damage.*"
- The Ombudsman also made it clear she wasn't considering delays in respect of the remedial works - and that this would need to be raised as a new complaint.
- Mrs H raised a complaint about this in February 2023, saying she was told the remedial work would take three weeks, but it had taken two years.
- In March 2023, UKI issued a new final response letter, in which it said it had further reviewed the service it had provided and accepted it had caused delays, including a nine-month delay from March 2018 to November 2018. UKI initially sent a cheque to Mrs H for £200 compensation, but subsequently increased this to £350.
- Mrs H remained unhappy and so, brought a complaint to this Service. An Investigator considered it but didn't uphold it as she thought £350 compensation was fair. Mrs H disagreed and so, the complaint was passed to me for an Ombudsman's decision.
- Having reviewed the complaint, both parties were informed that I intended to increase the compensation to £1,000, as I didn't consider it to reasonably reflect the distress and inconvenience caused by the delays.
- UKI replied to say it had no further comments and would await my final decision. Mrs H didn't reply. And so, I'm issuing a final decision along the same lines based on the information I have.

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.

I've also kept in mind UKI's responsibilities - as set out in the Insurance Conduct of Business Sourcebook (ICOBS) - to handle claims promptly and fairly. Having done so, I'm upholding this complaint.

Before I explain why, I want to clarify my decision is only focussing on the issue of delays - which was addressed in UKI's final response letter dated March 2023. I'm not considering issues which have been determined by the previous Ombudsman.

UKI has accepted it's responsible for nine-months delay in 2018 and has said there was no justification for this. From reviewing the timeline of events, I agree it didn't progress the claim as it should during this time. I'm aware Mrs H considers there to have been delays throughout the entirety of the claim, but I'm satisfied that aside from this nine-month period, the claim progressed accordingly. There may have been issues which delayed progress in 2017, but I haven't seen enough evidence to persuade me these were avoidable.

So, what I've have to decide is whether the compensation awarded by UKI fairly reflects the difficulties Mrs H experienced as a result of UKI's inaction during this nine-month period. As explained in my provisional findings, I'm not satisfied it does. Whilst I wouldn't expect UKI to compensate Mrs H for inconvenience which, even if things happened as they should, is to be expected - it should compensate her for distress and inconvenience which could have been avoided. Here, given there was an avoidable nine-month delay, UKI has without question caused Mrs H unnecessary inconvenience – which, owing to her health conditions, was felt more greatly by her.

In deciding how much compensation should be paid, I have taken on board Mrs H's comments regarding both her mental and physical health. I sympathise with her situation – undoubtedly, she has had a lot to contend with. But, as our Investigator said, there simply isn't enough persuasive evidence to show the delays UKI are responsible for caused the respiratory condition Mrs H suffers from. My intention isn't to diminish the severity of Mrs H's condition - but is rather to explain why I can't reasonably hold UKI responsible for this.

So, when I consider the overall impact on Mrs H, I'm satisfied £1,000 total compensation fairly reflects the difficulties she experienced and UKI must pay her this amount.

My final decision

My final decision is I uphold this complaint and direct UK Insurance Limited trading as Churchill to pay Mrs H £1,000 compensation in total. If it's already paid £350 it can deduct this from the total amount payable.

Churchill must pay the compensation within 28 days of the date on which we tell it Mrs H accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 28 March 2024.

Nicola Beakhust
Ombudsman