

The complaint

Miss D complains about the way U K Insurance Limited trading as Natwest Insurance ("UKI") handled a claim under a buildings insurance policy.

What happened

Miss D notified UKI water was entering one of the bedrooms in her property in July 2023.

UKI appointed a surveyor to assess the claim. They attended the following day and concluded, broadly, that damage wasn't due to a one-off insured event. Rather, it was due to a breakdown of materials and problems with guttering on neighbouring properties.

UKI therefore declined to assist Miss D with the external damage but said it would cover the internal damage under the accidental damage section of the policy. UKI said its surveyor shared their findings with Miss D during their visit, and Miss D decided to withdraw the external damage claim then.

Miss D arranged repairs through her own engineer. She says it was found water got in as a neighbour had removed a downpipe, and there were holes in her roof that UKI missed. She says repairs cost roughly £1,300 which included new felt, and guttering adjustments, amongst other things.

She requested UKI sent another surveyor to confirm the cause was the downpipe and to direct the neighbour to put things right. UKI told Miss D it couldn't do this.

Miss D says the claim impacted her health and wellbeing. She cancelled the policy because she felt it would be better for her welfare to do so. And she says UKI offered to help her, but then didn't, and made things worse. So, she complained.

UKI responded to the complaint in October 2023 maintaining its decision on the claim. As Miss D remained unhappy, she asked our Service for an impartial review.

UKI contacted our Service to say while it maintained its claim decision, it failed to recognise Miss D's specific circumstances, and the impact this matter had on her. Therefore, it offered to pay Miss D £600 compensation for the distress and inconvenience it caused her.

The Investigator thought £600 for compensation was a fair and reasonable way to resolve this complaint. Miss D, however, didn't agree. She said UKI's surveyor missed the external damage issues which meant she had to carry out repairs costing her roughly £1,300.

Miss D also said £600 compensation wasn't fair given she had sleepless nights, had to take medication, and the claim circumstances were extremely upsetting for her – which she had informed UKI about.

As no resolution could be reached, the case was passed to me to decide.

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.

It's important I acknowledge I've summarised Miss D's complaint in less detail than she's presented it. She's told us about the impact this claim had on her, the distress caused, and UKI's handling of things overall.

In this decision, I've focused on what I think the key points I need to think about are, rather than commenting on each individual point. I don't mean any discourtesy by this – it simply reflects the informal nature of our Service. I assure Miss D (and UKI) I've read and understood everything that's been provided.

UKI sent a surveyor to Miss D's home promptly to assess the damage. I find it provided Miss D with an appropriate level of customer service during the claim validation process. I say this because its role was to send someone appropriately qualified to assess the main cause of damage.

The surveyor did this and concluded, broadly, that damage wasn't due to a one-off insured event. Rather, it was the result of a breakdown of materials and problems with guttering on neighbouring properties diverting rainwater into Miss D's home.

I think it was helpful UKI's surveyor shared their findings with Miss D on the same day of the visit so Miss D was aware UKI couldn't assist with the external damage part of the claim. Miss D therefore withdrew the claim and UKI told her it would assist with the internal damage.

Miss D instructed her own contractor to undertake external repairs. She provided comments from this engineer on the cause of damage. And I find that, on balance, these comments support external damage wasn't due to a one-off insured event.

I say this because Miss D says her contractor concluded, broadly, that damage was the result of a neighbour removing a downpipe, and there were holes in the felt roof. And I'm not persuaded these comments support that external damage was caused by a one-off insured event based on the information currently available to me.

So, I find the conclusion reached by UKI (external damage was the result of a breakdown of materials and problems with the neighbouring properties) to be fair and reasonable – and I don't seek to interfere with it.

I recognise Miss D wanted UKI to send another surveyor out to look at the downpipe problem and direct her neighbour to put things right. But I don't find that would have been appropriate here or would have made a material difference to the overall outcome of the external damage claim.

I say this because Miss D had received a copy of UKI's surveyors report. This document set out damage had occurred due to problems with the neighbouring properties. I don't think the responsibility here was for UKI's surveyor to direct a third-party to undertake property maintenance. Rather, their role – as someone suitably qualified – was to assess the damage and determine the main cause.

In thinking about the level of customer service UKI provided to Miss D, I think it ought to have recognised the impact this matter was having on her when investigating the complaint.

I recognise based on what Miss D has told us – which I’ve no doubt would have been difficult – that the claim-incident itself (water entering her property) would have been considerably upsetting and distressing for her. And despite Miss D informing UKI about her specific circumstances, and the impact this matter was having on her, UKI failed to recognise it.

So, I do find UKI should have recognised much earlier on in the claim journey the impact on Miss D. It failed to provide her with an appropriate level of customer service and in turn caused her further distress and upset – over and above the impact the claim-incident itself had on her.

It recognised this after Miss D approached our Service asking for an impartial review, and it offered to pay her £600 compensation in recognition of this failing, and its impact.

I acknowledge Miss D says this amount doesn’t cover what she paid to have the external repairs completed. But it’s helpful I explain this compensation amount isn’t intended to do that. And that’s because Miss D would have always been required to cover the costs of the external damage repairs, as this damage wasn’t covered by the policy.

So, all things considered here, while I recognise UKI could have handled matters with a more appropriate level of customer service, I find £600 compensation to be fair, reasonable, and proportionate here to resolve this complaint.

I recognise this has been a very difficult time for Miss D, and that my decision will come as a disappointment to her. But it ends what we – in attempting to informally resolve her dispute with UKI – can do for her in this specific complaint.

Putting things right

If it hasn’t done so, U K Insurance Limited trading as Natwest Insurance must pay Miss D £600 compensation for the distress and inconvenience it caused her to settle this complaint.

My final decision

I’ve decided to uphold the complaint. I require U K Insurance Limited trading as Natwest Insurance to settle this complaint in line with my instructions above.

Under the rules of the Financial Ombudsman Service, I’m required to ask Miss D to accept or reject my decision before 5 June 2024.

Liam Hickey
Ombudsman