

## **The complaint**

Mr C complains about how Accelerant Insurance Limited handled his claim on his property insurance policy, following an escape of water.

## **What happened**

Mr C is the leaseholder of a flat in a block, that one of his family members lives in. The building management company arranges an insurance policy to cover the flats, this is underwritten by Accelerant.

In February 2022 he made a claim after water started bubbling through the floorboards in the hall way and the bedroom carpet was saturated. Accelerant accepted the claim and, once the leak was identified and fixed, it sent contractors to begin drying the property in April 2022. However when they arrived they said the flooring needed to be stripped out first. They left and Accelerant arranged the stripping out, but this wasn't completed until June.

In July drying equipment was installed and drying was completed by August. However during this time Mr C had been concerned about the worsening condition of his property. He instructed his own expert to comment on the condition and they said due to the length of time it had taken to dry out the property, the dryers had caused micro-dust to become dislodged and this was a serious irritant to lungs and eyes. He therefore said the property wasn't habitable particularly as the tenant had asthma.

Mr C was also concerned about an infestation of insects at the flat, that he said had been caused by the damp conditions.

In September 2022 Accelerant agreed to move the resident into alternative accommodation and this was arranged to begin in October.

However during this time Mr C had been unhappy with how the claim had been handled and he'd made a number of complaints. He said it had taken too long for the claim to progress and due to the delay in drying the property, his contents had been damaged by the damp conditions. He also said the saturated carpet had never been removed in order for full drying to take place and this had contributed to the issues and the insect infestation.

Accelerant responded to his complaints and agreed the claim had taken too long to progress. It apologised for the delays. However it didn't agree it was responsible for the damaged contents or the carpet. It said the insurance policy only provided buildings cover and not contents, so it would have been for Mr C to arrange with his contents insurers to remove the contents, including the carpet.

Mr C didn't think this was fair as he said the damage to the contents was caused due to Accelerant's negligence in dealing with the claim so it should be responsible. He brought his complaint to this service.

Our investigator considered the issues and recommended the complaint be upheld. She thought Accelerant should pay £400 compensation to apologise for the distress and inconvenience it caused by delaying the claim. She also thought it should consider Mr C's

list of damaged contents to decide if it could have done more to prevent their damage. And where it finds it should have, it should pay for their repair or replacement.

Mr C accepted our investigator's outcome, however Accelerant didn't. It said it agreed to the compensation but didn't agree it was responsible for any of the damaged contents.

As agreement hasn't been reached, the complaint has come to me to decide.

In October 2023 I issued a provisional decision. In it I said:

*'I understand Mr C has a separate complaint about the issues that have arisen since his tenant was moved into alternative accommodation. However this decision will only deal with issues raised up until the end of September 2022, that Accelerant dealt with as part of his first complaint, This includes delays during that time and damaged contents.*

### *Delays*

*The claim was raised in February 2022, and from this point it took five months for drying equipment to be installed. This is far longer than I'd expect for a claim of this nature. The cause of the leak was quickly identified and rectified. And after this, I'd have expected Accelerant to act quickly to strip out the affected areas and commence drying. However the dryers didn't first attend until two months after the claim, in April. And at this time had to leave as strip out work hadn't been completed. It took another month for this to be arranged, and a month after this for the drying equipment to eventually be installed in July.*

*I would have expected this to have been completed within a month of when the leak was identified and fixed, so I think Accelerant caused around a four month delay.*

*From looking at the claim notes and correspondence, I've been unable to identify a reason why this was delayed. Other than poor communication with its contractors. So I consider this delay to have been avoidable.*

*During this time Mr C was constantly contacting Accelerant to ask for updates and to enquire about when appointments would take place. And he's explained that his tenant was living in the property that remained damp for a much longer period than it should of, and was experiencing worsening health. This would have been very distressing for Mr C.*

*Based on this I'm minded to agree with our investigator that Accelerant should pay £400 compensation to apologise for the distress it caused at the start of the claim.*

### *Contents*

*I've also considered what both sides have said about the damaged contents. I'll address the saturated carpet first.*

*There is no dispute that the policy provided by Accelerant doesn't include cover for contents. Therefore it is only responsible for repairing damage to the buildings as part of the policy cover. However part of this includes ensuring the building has been suitably dried. And it's clear hear that in order for this to be done, the saturated carpet would need to be removed. Accelerant's own contractors even commented as such themselves during their visit in August, when they questioned why it hadn't been removed.*

*I agree Accelerant wouldn't be responsible for replacing the carpet. As that would reasonably fall under contents cover. However as the carpet needed to be removed in order for the property to be dried out, I think it should have done this when it stripped out the*

hallway floor and kitchen tiles. And because it didn't, it seems likely the damp problem at the property worsened.

Mr C has reported that due to the damp conditions caused by the delay to drying the property, his contents have now also been damaged. Accelerant has said it wouldn't be responsible for these as it provides a buildings policy, however I don't agree that's a fair approach in the circumstances.

It's clear that the property took far longer to be dried than it should have. And that the damp carpet remained in place when it should have been removed. Based on this, it seems likely that the contents that was stored in the property would be damaged by the exposure to damp conditions for a prolonged period.

Further, Mr C has shown that the property developed an insect infestation. And Accelerant haven't disputed that this seems to have been a result of the damp conditions. While Accelerant has said it isn't responsible for the contents, it hasn't taken any steps to inspect the items. Nor has it provided evidence to show why they weren't damaged by the prolonged damp conditions in the property.

Accelerant has said that it was Mr C's responsibility to remove the items of contents and this should have been done by contacting his contents insurance provider. However I don't agree it should have been necessary to remove all contents from the property, based on the escape of water. If the property had been dried out promptly then it's likely the contents could have remained in the flat without issue. So I don't agree it's fair to decline to consider the items on this basis.

Based on this it seems likely that at least some of the damage to the contents has been caused by the property being exposed to damp conditions for longer than it should have been. And as the delays to the drying of the property were caused by Accelerant's poor handling of the claim, I think it's fair and reasonable that it considers the items Mr C says have been damaged and repairs or replaces those that have been caused by its in-action.

Mr C has provided an extensive list of items he's said have been damaged. While I agree Accelerant should accept responsibility for those that have been damaged by damp and the insect infestation, I don't think it fair to ask it to cover everything without having the opportunity to consider the evidence Mr C has provided. I'm therefore minded to require Accelerant to accept Mr C's claim for consequential losses and cover the cost of the repair or replacement of all items that were damaged to damp or insect infestation, based on its validation of the evidence provided.'

## **Response to my provisional decision**

Mr C responded to my provisional decision to explain that he doesn't rent the property out, instead a family member lives in the flat.

He also said that all the contents he is claiming for have been removed and disposed of, as they were told to do by Accelerant. So there was nothing left for it to inspect.

Accelerant responded to say that it didn't agree it was responsible for the carpets, as it had told Mr C from the start that these would be the responsibility of his contents insurer but he took no action to have them removed. They also said the resident of the flat was difficult when its contractors attended and made no attempt to move any of the contents out before the visit. It didn't agree it should cover the cost of the contents.

## **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.

Firstly, I apologise for my incorrect statement that Mr C rents out the property in my provisional decision. I have amended this in the 'background' section of this complaint to better reflect the circumstances.

While the items of contents are no longer available for inspection, it's only fair that Accelerant is given the opportunity to validate the list of contents being claimed for. This includes validation of the cost of the items and ensuring they haven't been covered under any other insurances. However, once this is complete I would expect Accelerant to make prompt payment for the items.

I have also considered what Accelerant has said about the carpets and contents. I haven't disputed that the replacement of the carpets should be covered under the contents insurance. However under the buildings policy, Accelerant were obliged to ensure the building was properly dried in order for repair work to begin. And if, in order to ensure the property was dry, this required the carpets to be removed, this service would expect Accelerant to have carried this out. From the evidence, it seems that because the carpets weren't removed, the damp problem at the property was left to get worse and this subsequently caused an insect infestation. And as I consider it Accelerant's responsibility to ensure the property was dry, it follows that it is now responsible for reimbursing the cost of the damaged furniture due to the prolonged damp conditions.

I note Accelerant's comments about its contractors having to move some of the contents, but again I don't consider this to be unreasonable if it was required to ensure the property was properly dried.

I've considered everything each side has said in response to my provisional decision, as well as the evidence provided to date. Based on this, I see no reason to depart from the findings laid out in my provisional decision.

## **My final decision**

For the reasons I've given, I uphold Mr C's complaint and direct Accelerant Insurance Limited to:

- Pay Mr C £400 compensation.
- Consider Mr C's list of damaged contents and pay to replace those that have been damaged by the damp or insect infestation and haven't been covered by another insurance policy.

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

Sophie Goodyear  
**Ombudsman**