

## **The complaint**

Mrs C complains about Fairmead Insurance Limited's handling of her subsidence insurance claim.

Any reference to Fairmead includes the actions of its agents.

## **What happened**

Mrs C has a buildings insurance policy with Fairmead. She made a claim for subsidence in March 2020, which was accepted by Fairmead.

Fairmead has issued five final response letters in total, in response to concerns raised by Mrs C about her claim. I've summarised these below:

- 13 May 2021 – Fairmead apologised for its handling of the claim to that point. It accepted there had been some poor communication, and it offered Mrs C £250 compensation.
- 13 August 2021 – Fairmead apologised for its handling of the claim to that point, including that alternative accommodation couldn't be sourced for Mrs C. It said the cash settlement she had accepted for this would be paid once her signed mandate had been received. Fairmead accepted there had been miscommunication with the claim which had caused delays, and it offered Mrs C £350 compensation.
- 18 October 2021 – Fairmead considered what had happened since 13 August 2021. It said a third party had wrongly arranged to collect only 30 boxes of contents from Mrs C's home, when it should have been around 100 boxes. Fairmead's contractor attended to start the internal repairs on 31 August 2021, but couldn't do so because of the contents in the property. The repairs were therefore rearranged for 20 September 2021. Fairmead confirmed its other contractor intended to start work on the foundations at the beginning of October 2021. Fairmead offered Mrs C £100 compensation for the miscommunication about the number of boxes, and that this had caused a delay of around one month.
- 11 February 2022 – Fairmead considered what had happened since 18 October 2021. It apologised for its contractor leaving the code for the key box on top of the box itself. It also addressed a number of other issues raised by Mrs C, including that she thought the damp proof membrane had been damaged by the subsidence as there was mould in the property. Fairmead explained the claim was being reviewed to see what was covered. It said that in light of the inconvenience she had experienced, it had an open offer of compensation and could discuss this with her at a later stage.
- 7 February 2023 – Fairmead said it accepted that Mrs C had experienced avoidable delays and poor service. It said that throughout the claim she had chased it a number of times and made complaints which weren't formally looked into. By way of apology, it offered Mrs C an additional £1,000 compensation. It also noted that its previous

compensation offers totalling £450 hadn't been paid to her, and confirmed the total payment of £1,450 would be sent to her by cheque.

Fairmead confirmed in each final response letter that Mrs C had the right to refer her complaint to this Service within six months.

Mrs C brought a complaint to this Service in March 2022. Our investigator explained that we could only consider what had happened since Fairmead's final response of August 2021. Our investigator agreed that Fairmead had made mistakes with the claim. However, she thought the total compensation offered of £1,450 was reasonable.

I issued a provisional decision on 20 November 2023. Here's what I said:

*'Mrs C says she started the claim with Fairmead in March 2020, and she wants this Service to consider Fairmead's handling of the claim since this date.'*

*The rules that govern what complaints our Service can and can't look into are set out in the Financial Conduct Authority's ('FCA's') Handbook (known as the 'DISP rules').*

*DISP 2.8.2R says:*

*'The Ombudsman cannot consider a complaint if the complainant refers it to the Financial Ombudsman Service:*

*(1) more than six months after the date on which the respondent sent the complainant its final response, redress determination or summary resolution communication...'*

*Mrs C brought a complaint to this Service in March 2022. That means she referred her complaint outside the six-month deadline that was given in Fairmead's final response letters of 13 May 2021 and 13 August 2021. Fairmead hasn't given this Service consent to consider any of the issues addressed in those final responses. That means I can't consider what happened prior to 13 August 2021.*

*Under the DISP rules, I can waive the time limits if I consider the delay in bringing a complaint to this Service was a result of exceptional circumstances. However, I'm not aware of any exceptional circumstances that prevented Mrs C from bringing her complaint to this Service within the time limits.*

*I've therefore considered what happened since 13 August 2021.*

*I see this wasn't a straightforward claim. Fairmead identified that the subsidence was due to defects with the drainage at the property. The drains were repaired, and it was agreed that underpinning was required. An underpinning scheme was designed, though I understand the proposal for this took some time due to the complexity, and work started on the foundations in October 2021.*

*Fairmead has accepted that its third party made an error with the number of boxes that needed to be collected from Mrs C's home, and that this caused around a month's delay.*

*I see that Fairmead arranged for a contractor to prepare a schedule of works for the repairs. However, Fairmead said some of the work wasn't related to the subsidence claim. Although some of the repairs had started around September 2021, these were then delayed until an agreement was reached with Mrs C about the non-insured repairs. I don't think that was unreasonable, as I wouldn't expect Fairmead to carry out repairs that weren't related to the subsidence.*

*Fairmead wanted to restart the repairs (for the insured works) at the end of March 2022. However, Mrs C had some queries, and so Fairmead addressed these with her. Mrs C confirmed in May 2022 that Fairmead could go ahead with the repairs. Although there was a two month delay here, I can't hold Fairmead responsible for this.*

*I note the contractor estimated the repairs would take around 12 weeks. The repairs started in May 2022, though further issues then came to light as the repairs progressed (issues with external render, damp plaster in kitchen and bathroom that needed to be removed, loose brickwork which required cement screed, a wall which needed rebuilding, and a lintel that needed to be replaced). Whilst unfortunate, this was outside Fairmead's control.*

*The contractor told Fairmead that the work had been completed in January 2023. However, Mrs C raised some further concerns about the repairs that had taken place. In response to this, Fairmead confirmed it would arrange for that work to be inspected, including the damp proof course that had been installed. I think that was reasonable. I haven't considered what happened after this, as I've only considered what happened up to the date Fairmead issued its final response in February 2023.*

*Overall, I don't think Fairmead caused any significant avoidable delays with the repairs, other than a month's delay due to the error with the boxes.*

*However, I can see there were times when Mrs C wasn't kept up-to-date, and she didn't always get timely responses to her queries. As Mrs C was unhappy with the communication from the loss adjuster, Fairmead allocated Mrs C a case manager to update her regularly on the claim. I think that was reasonable, though Mrs C was still caused unnecessary upset and inconvenience by the lack of communication, and because she didn't get as many updates as she wanted.*

*There were also some issues with the contractor, as items in Mrs C's home were broken/damaged by them. There were also items left in the property which had become damaged due to being kept in unventilated rooms. I see that Fairmead agreed to add some of the damaged items to the schedule of works, and arranged for a restoration company to inspect the remaining items. Fairmead asked Mrs C to confirm which damaged items she wanted the company to try and restore, and it agreed to cash settle the rest. I'm satisfied this was reasonable, though it's still clear that Mrs C was caused inconvenience because of this.*

*Fairmead offered Mrs C total compensation of £1,100 for its handling of her claim since August 2021 (though it paid her £1,450 because she hadn't accepted its previous compensation offers). In the round, I'm satisfied this level of compensation was reasonable for the impact Fairmead's handling of the claim had on Mrs C. I don't intend to require it to increase this.'*

*I asked both parties for any further comments they wished to make before I made a final decision.*

*Fairmead didn't provide any further comments by our deadline.*

*Mrs C asked us to confirm what date I had considered matters up to, and we confirmed this was the date of Fairmead's final response in February 2023. However, she didn't have any further comments on the provisional decision itself.*

### **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 has provided any new comments for me to consider, I see no reason to depart from the findings I made in my provisional decision. So I've reached the same conclusions, and for the same reasons.

### **My final decision**

My final decision is that I don't uphold this complaint, as I'm satisfied that Fairmead Insurance Limited has paid Mrs C reasonable compensation for its handling of the claim between August 2021 and 7 February 2023.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 1 January 2024.

Chantelle Hurn-Ryan  
**Ombudsman**