

## The complaint

Mr G has complained on behalf of the Estate of Mr S about how Fairmead Insurance Limited (Fairmead) dealt with a claim under a home insurance policy.

References to Fairmead include agents and companies working on its behalf.

## What happened

Mr G contacted Fairmead to make a claim for an escape of water on behalf of the Estate of Mr S. Fairmead accepted the claim. Mr G later complained about poor communication from the loss adjuster. Following this, arrangements were made for the loss adjuster to contact Mr G.

Mr G complained again because he remained concerned about how the claim was progressing. When Fairmead replied, it explained the steps required to validate the claim. This included it requiring evidence that some of the items quoted for were impacted by the escape of water. It also explained the process around appointing a surveyor.

A short while later, Mr G complained again about the loss adjuster. When Fairmead replied, it described what had been happening on the claim. It confirmed that the loss adjuster had spoken at length with Mr G's surveyor. It also hadn't identified any unnecessary delays during the time period covered by the complaint. Fairmead also confirmed it had reviewed whether it should make a payment to cover a council tax unoccupancy charge. It said it wouldn't cover these charges. However, it noted some slight delays in responses, for which it offered £100 compensation.

When Mr G complained to this service, our investigator upheld the complaint in part. He said there were delays at the start of the claim because Fairmead initially declined the claim due to an unoccupancy clause. He also noted that Mr G thought discussions could have taken place about the scope of works earlier than they did and that Fairmead said it needed a breakdown of estimates to agree a settlement. He said Fairmead didn't need to contribute to the council tax surcharge. But said it should pay an additional £150 compensation to the Estate of Mr S for the delays and actions by Fairmead.

As Mr G didn't agree, the complaint was referred to me.

I issued my provisional decision on 4 December 2023. In my provisional decision, I explained the reasons why I wasn't planning to uphold this complaint. I said:

*Mr G has complained that Fairmead didn't handle his claim fairly. The regulator's rules say that insurers must handle claims promptly and fairly. And that they must not turn down claims unreasonably. So, I've thought about this.*

*When Mr G first contacted Fairmead to make a claim, Fairmead took some time to decide if the claim was covered. This was because the property was unoccupied at the time. Fairmead initially declined the claim because it assessed that the circumstances weren't*

covered. However, it later reviewed this and accepted the claim as it identified there was cover under the policy.

Once Fairmead had accepted the claim, Mr G has said Fairmead and its loss adjuster could have progressed the claim more quickly. Fairmead has accepted there were some minor delays during this time, particularly around communication. But it has said there were issues with the way Mr G's claim was presented. This included that there wasn't a breakdown of costs and items were added to the claim that weren't covered by the policy. So, I think there were a number of issues with progressing the claim, only some of which were due to Fairmead's actions.

One of Mr G's key concerns was that, while the claim was ongoing, the council applied an empty property council tax surcharge to the property. This meant the costs for the property greatly increased. Mr G wanted Fairmead to contribute towards this charge because of the delays. Mr G has also provided a letter from the council that explained it was aware of instances where insurance companies had covered council tax in similar types of cases. It also explained that the surcharge was applied because the property had been empty for 18 months.

I looked at the policy booklet and didn't read anything that said Fairmead would cover things like council tax as part of dealing with a claim. I'm also aware Fairmead wasn't dealing with the claim for 18 months and that a large part of that time was before the damage happened. So, I think there were a range of factors that led to the surcharge being applied when it was. I also have no reason to doubt that there are some instances where an insurer might have agreed to pay council tax charges as part of a claim. But, I need to consider this complaint on its individual circumstances.

Having done so, I'm not persuaded there is sufficient reason to say Fairmead should cover the council tax. Although there were delays, I think there were a range of reasons for this, not all of which were down to Fairmead. I also don't think I can fairly say the claim could or should have been settled before the surcharge applied. As a result, I don't require Fairmead to contribute towards the council tax.

I've also thought about compensation. For this complaint, the only person I could award compensation to is Mr S but, sadly, he had died before the circumstances that led to the claim happened. So, he wasn't personally affected by the claim itself. Mr G has described the impact on him and other family members dealing with the claim. I'm unable to award compensation to executors or family members who aren't named on the policy. I'm also unable to award compensation to an estate. So, based on what I've currently seen and the circumstances I've considered, I'm unable to award compensation for this complaint.

It's my understanding that Mr G was still concerned by how Fairmead continued to deal with the complaint after the period covered by the complaints I've considered. Mr G would need to raise any issues not previously raised with it as a new complaint with Fairmead. I'm unable to consider them or comment on them.

I asked both parties to send me any more information or evidence they wanted me to look at by 18 December 2023.

Fairmead didn't reply. Mr G replied and said it wasn't the outcome he was hoping for, but that he had nothing further to add.

### **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 and for the reasons given in my provisional decision. As part of that I've reviewed this complaint again and haven't found any reason to change my view on the outcome of this complaint.

### **My final decision**

For the reasons I've given above and in my provisional decision, my final decision is that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr S to accept or reject my decision before 16 January 2024.

Louise O'Sullivan  
**Ombudsman**