

The complaint

Mr H is unhappy with Royal & Sun Alliance Insurance Plc's handling of his subsidence claim

What happened

Mr H made a claim for subsidence and RSA appointed expert loss adjuster's "C" to inspect and manage the claim on its behalf. Initial investigations suggested there could be issues with underground drain leaks and some repairs were carried out. After this there was a period of monitoring to see if the house had now stabilised. Early the following year the monitoring period was extended as Mr H was still concerned about some of the cracks growing.

When this matter was concluded repairs took place, but these were poorly done and needed to be done again. A new contractor was appointed, and further work done. Eventually C issued a report that said a cash settlement had been accepted by Mr H for the internal damage and it had completed the external repair work. At this point Mr H brought his complaint to this service. He said the cracks had reappeared and damp was getting into the property through these cracks as the external work hadn't been completed.

Mr H wanted details about what the actual problem was that has caused the subsidence, details of the work done, and the external work finalised to deal with both the cracks and the damp issues. He also wanted RSA to apologise.

Our investigator upheld the complaint. She accepted that the cracks reappearing did mean RSA couldn't be sure that appropriate work had been done or if the diagnosis regarding the drains was right. She said RSA should reinspect and provide an up to date detailed report to Mr H explaining the issues found and proposals to put it right, including dealing with the damp. She said all external poor repairs should be re-done and pointing completed. In relation to the internal repairs she said new cracks and damp had damaged the previous repairs arranged by Mr H out of his cash settlement. For any repairs he did have done that have now been damaged again our investigator said these needed to be re-done by RSA. Although she accepted that subsidence claims can take a long time, she said the poor repairs had meant the claim had dragged on for much longer than it should have done. Our investigator said RSA should pay Mr H £600 as compensation for the distress and inconvenience it had caused him.

Some further discussion followed. RSA said it would like C to go back to the property and review any ongoing subsidence and repair issues. It suggested it could cash settle these after review. RSA acknowledged Mr H's concern about the drains but said it would let C review the situation before acting any further on this.

Mr C wasn't keen on C coming back to his home to review the situation based on how poorly he felt it had handled matters this far. But he accepted this and the £600 compensation as long as C acted quickly, and the previous contractor "S" wasn't involved any further.

RSA was advised of this and said it would get C to act as soon as possible. But after several requests to this service from Mr H to ask why nobody had contacted him he decided he

didn't want to accept C's involvement in his claim anymore and he wanted his complaint to be passed to an ombudsman for a decision.

In my recent provisional decision, I said:

"I can understand the concerns that Mr H has. He was told that leaking underground drains had caused the problems but didn't feel he'd seen any evidence of this. He also didn't see how any significant repairs could have been done to the drainage system in the short time the contractors had been on site. So, I can appreciate his wish to see details of both the damage and the repair.

Mr H said the same about S's work to the external walls. He didn't think the cracks at a higher level had been properly addressed and questioned whether or not a scaffold had been in place to work at height. He hadn't seen one when he had been at home.

I'm slightly unsure of what has happened recently as Mr H notified our investigator that he had a message from C that it did want to return to review his home and it wanted to bring S too. However, if Mr H hasn't agreed to this yet I'd understand. I think he was clear, and it was relayed to RSA that Mr H was unhappy to have S involved in any further repair. So, it's disappointing that this offer was made to Mr H as he was clear that he wasn't particularly happy for C to be involved but had said he would accept this to try and get things concluded.

I don't think there would be much benefit in C returning now to the property. And I certainly don't think Mr H would want S to come back either. In the circumstances I think RSA needs to appoint a different expert loss adjuster and contractor to revisit and review.

RSA should contact Mr H with details of who it will be replacing C with. Once it has done that it should get the new expert to contact Mr H to make a mutually convenient appointment. It can then take along a new contractor to review the property and agree a revised detailed report/schedule of work based on the evidence found both internally and externally. This way Mr H can ensure he can show all areas of concern to the new loss adjuster and agree a list of all the areas disputed for the loss adjuster to consider and respond to. I think once the new detailed report/schedule of work has been given to Mr H to check it will then be his option to decide to allow the new contractors from RSA to do the work needed or if he would want to accept a cash settlement offer.

The claim has run on into its fourth year now. So, I think Mr H's frustration is perfectly understandable. In view of the stress caused, the constant upset, the poor repairs, the claim handling, and the problems he has encountered I think RSA should pay Mr H £750 as compensation."

Responses to my provisional decision

Mr H said he was fine with the contents of the provisional decision. He just wants the matter resolved and hopes new experts will bring about an improvement.

RSA also responded to say it had no further comments to provide.

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.

Based on the responses I've no reason to change my provisional decision and it becomes my final decision.

Putting things right

- Instruct a new loss adjuster expert to appoint a new contractor and visit Mr H's property jointly to review with him the claim and the work previously done.
- To issue Mr H with a detailed report and schedule of works to deal with any issues from the original claim and repairs.
- To deal with the claim as Mr H requests either by using RSA's new expert or by an agreed cash amount.
- Pay £750 to Mr H for the distress and inconvenience caused.

My final decision

I uphold this complaint.

I require Royal & Sun Alliance Insurance Plc to:

- Instruct a new loss adjuster expert to appoint a new contractor and visit Mr H's property jointly to review with him the claim and the work previously done.
- To issue Mr H with a detailed report and schedule of works to deal with any issues from the original claim and repairs.
- To deal with the claim as Mr H requests either by using RSA's new expert or by an agreed cash amount.
- Pay £750 to Mr H for the distress and inconvenience caused.

Royal & Sun Alliance Insurance Plc must pay the compensation within 28 days of the date on which we tell it Mr H accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 5 April 2022.

John Quinlan
Ombudsman