

The complaint

X complains about how Royal & Sun Alliance Insurance Limited (RSA) handled a claim under his home insurance policy. When I mention RSA, I also mean its suppliers and repairers.

What happened

X has a home insurance policy with RSA covering his home buildings and contents. In November 2019 X's home suffered a water leak from the toilet soil sack resulting in dirty water flooding the downstairs of his home.

X made a claim to RSA who inspected the property. RSA's inspector produced a report detailing the damage to X's house including details of where the damage had happened, its recommendations to mitigate and repair some areas, and what needed to happen to X's contents. X says RSA told him to expect "like for like" replacement of flooring and contents, as well as cleaning and help with boxes for clearing the ground floor contents.

RSA then sent out a specialist cleaning company, who I'll call R. There is some disagreement between RSA and X about exactly what was discussed with R.

Ultimately, X initially cleaned his own home and packed up his own contents without any further assistance from R.

X was also suffering from some health issues he thinks were caused by the damp and mould growing in his house and he told RSA about these.

RSA didn't contact him until in late January 2020 it sent X a cheque for £2,722 to settle his claim. X was confused about the amount of this cheque as it seemed to him to be worded that it was in settlement of his entire claim and he was expecting a much higher amount. X discussed this with RSA who asked X to get quotations for the work that needed doing on his buildings.

X was a key worker under the covid lockdowns and became very busy with his work at this time. He didn't contact RSA again about the claim, and RSA didn't contact him about it until the cheque it'd sent him expired in September 2020.

X then obtained two quotations for the repair work in late October 2020 and sent them to RSA in early November. RSA asked to inspect the damage in X's house. X wasn't happy with this and asked RSA why this inspection was needed given that R had inspected it already about a year beforehand.

This was around the time of a covid lockdown and because of this, and RSA's adjuster not being able to assure X of the reasons why the inspection was needed, the inspection didn't happen. The relationship between X and RSA's claims handler also deteriorated with X feeling like he was being held responsible for delays in his claim and ultimately being given a final date at which he says RSA wouldn't consider his claim any further.

In December 2020 RSA asked for a valuation of the damaged contents. X provided this and RSA sent X the amount he'd asked (£2,860 less his excess) for in respect of his contents claim.

X complained to RSA who partially upheld his complaint. It agreed with X that RSA's communications with him hadn't been satisfactory. But RSA maintained that it still needed to inspect X's house to be in a position to move the buildings claim forward.

X remained unhappy so he brought his complaint to this service. An investigator looked into it and didn't uphold it. He said that he thought RSA could have been clearer with its claims process, but he didn't think that RSA had acted unfairly by asking for another inspection of the property.

X didn't agree with the view. He asked for his complaint to be reviewed by an ombudsman, so it has been passed to me to make a final decision.

I issued a provisional decision to give both parties the opportunity to consider things further. This is set out below:

In order to provide a final decision I have considered what took place at various points in the claim and will deal with them here in order:

Initial response

X contacted RSA to make the claim on 4 November 2019 and RSA carried out an inspection on 7 November.

X had to ask for RSA to progress the claim on 20 November. I can see that X told RSA he had a chest infection he believed was from damp and mould from the leak.

A specialist cleaning company, R, then attended on 3 December.

R provided a report which says:

"X stated he doesn't want anything to be done until the new year. R offered to box up the contents and put them into storage however X was reluctant to proceed and asked for some boxes to be dropped off so he can do this himself over Christmas."

And

"R offered to sanitise the affected areas today but X refused and stated he has his own sanitising product that he gets from work."

X later disagreed with what R said. I can see from X's own evidence that he spent the Christmas period boxing up his contents.

He has told this service that he told R he would only be doing an initial clean using his own cleaning products and that he wanted R to return later and carry out more work.

I'm not sure why R didn't return, or why RSA didn't ask him whether he needed more assistance. But given the likely scope of the claim with sewage leaking into the kitchen and living room I don't think it's very good service that RSA left X to progress the claim apparently on his own and without engaging with him further.

I can see from RSA's policy wording that it provides cover for alternative accommodation. This service would generally consider a property uninhabitable if there are no kitchen,

bathroom or toilet facilities, or if it's unsafe to be lived in.

The leak of sewage into a kitchen would, in my opinion, be serious enough to warrant an offer of alternative accommodation. But I can't see that RSA discussed this with X, even when he told it he was struggling with damp, mould and a chest infection.

I don't think it's fair and reasonable for RSA to have not pro-actively offered X this facility, given that it accepted the claim as being valid.

Buildings claim

I can see from RSA's evidence that once X had provided two quotes for the building work in October 2020, the amount needed to settle the claim was above what RSA's supplier could agree, so the claim appears to have been passed back to RSA.

RSA's loss adjuster contacted X and said RSA needed to inspect the buildings to validate the amount of the claim. In RSA's notes I can see comments that RSA's suppliers hadn't dealt with the early claim well which could explain why X's quotes were higher than expected, meaning that RSA then needed to re-inspect the property some 12 months into the claim.

I think it's clear from RSA's information that RSA's loss adjuster was trying to communicate with X to get the buildings claim inspected, agreed and settled. I can also see that X didn't engage with RSA's loss adjuster well during this period, which lasted for about six more months. I can see X was struggling with some health issues during this time, but RSA were regularly contacting him to attempt to progress the claim.

X makes the point that RSA's supplier inspected the house in considerable detail in November 2019, so why does it need to do it again. I agree with X this may be inconvenient for him, but an insurer should be allowed to satisfy itself of the extent of the damage before it can agree to pay a claim. Given that some considerable time has passed, I don't think it's unreasonable of RSA to ask for this survey to take place to update its estimates and agree with X what needs to happen, and what RSA will pay for under his policy.

Delays

It's my understanding from the evidence I have that the claim is still ongoing some 30 months after the leak was discovered, and I don't think this is a reasonable state of affairs for X to be in.

I think it's clear from the notes about the early part of the claim that RSA's suppliers didn't progress the claim well. This early stage does seem to have affected the decisions RSA were able to make in the later stages.

There seems to have been a great deal of confusion internally about several aspects of the claim, which ultimately meant the claim wasn't progressed until X chased up RSA.

I don't think RSA's suppliers communicated effectively with X and I don't think it did enough to identify him as being vulnerable because of the type of damage that had happened and the medical conditions he reported he'd contracted since the leak happened.

I think RSA should have dealt with X's claim as a priority, including offering him alternative accommodation.

When RSA did contact X, such as when it sent him the cheque for settlement of his contents

claim, I don't think it was clear enough what this represented and I think its further answers just complicated matters more.

But I can also see that X didn't progress his own claim for several months during the spring and summer of 2020. X has said he was exceptionally busy as a keyworker during this time but I think it's important that X understands that both parties must bear some responsibility for the delays during this time.

Again, when dealing with RSA's loss adjuster during winter 2020/21, I can see X didn't respond to RSA's repeated requests for access so it could progress the claim and I think RSA's actions were fair and reasonable during this time.

Putting things right

Given the nature of the leak in X's house I think it's important that X and RSA co-operate to bring this claim to a close.

It's clear from RSA's notes that it has accepted this is a valid claim, so I think RSA should proceed with a survey on X's property, with his early agreement, in order to ascertain the extent of the damage and repairs required.

Once works are agreed, I think it's fair that RSA assess whether alternative accommodation is required by X while cleaning and rectification works are completed, subject to the cover limits in his policy.

I think RSA should also deal with X's buildings claim under the terms and conditions of his policy. I would expect in their response to this provisional decision the parties will state what steps are under way to bring the claim to a conclusion.

Responses to my provisional decision

RSA agreed with my provisional decision.

X also agreed with it, but pointed out some areas of my provisional decision where he didn't agree with the timeline of events I presented and the phrasing I used.

In further writing since my provisional decision, X has also re-iterated his concerns about his working relationship with RSA's loss adjuster and raises questions about whether RSA's approach to a new survey, and subsequent works, will be fair.

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.

I'd like to thank X for his close attention and response to some of the detail of what I'd written in my provisional decision.

I'm not going to respond to these points in this final decision because I don't think they substantially change my understanding of what has happened in the claim so far, and they haven't altered the conclusions I've made. But I also think I should re-state how important I think it is to bring this claim to a conclusion by both X and RSA working together towards a solution.

I can see X has mentioned RSA's ongoing approach to his claim in his later correspondence.

This complaint is about the delays in the claim so far and as such I'm not able to consider issues around how the claim might now be managed or how the personalities involved might affect the course of it.

But I would like to assure X that he is able to approach RSA if he's unhappy with how it has handled the remainder of his claim, and then subsequently refer his complaint to this service should he remain unhappy with RSA's response.

My final decision

For the reasons set out above, my final decision is that I uphold this complaint. I direct Royal & Sun Alliance Insurance Limited to:

- Survey X's property, with his early agreement, in order to ascertain the extent of the damage and repairs required.
- Once works are agreed, assess whether alternative accommodation is required by X while cleaning and rectification works are completed, subject to the cover limits in his policy.
- Deal with X's buildings claim under the terms and conditions of his policy.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 3 August 2022.

Richard Sowden
Ombudsman