

## **The complaint**

Miss Y complains about the way Royal & Sun Alliance Insurance Limited (“RSA”) handled her claim for an escape of water.

## **What happened**

Miss Y made a claim to RSA under her home insurance policy in June 2021. The claim was for an escape of water. RSA appointed its surveyors to visit the property and assess the damage. Following this, a settlement was put forward but Miss Y was unhappy with it.

The damage was then re-assessed and a schedule of works was compiled. RSA made a final offer to cash settle the claim, but Miss Y still didn't agree, saying there were things missing from the schedule. She also thought the service RSA had provided had been poor and that it'd caused delays in handling the claim. So she made a complaint.

RSA said in its response that regarding the settlement amount, it didn't agree it was liable for everything Miss Y had said was missing from the schedule of works, but agreed to pay a contribution towards the cost of the kitchen units. It also acknowledged that delays had occurred and offered Miss Y £250 compensation in recognition of the distress and inconvenience caused to her. It didn't uphold several other aspects of Miss Y's complaint.

Miss Y didn't agree with RSA's response. She said RSA had been dishonest in its response, that the settlement offer was still unfair, as was RSA's stance in relation to the drying process, her alternative accommodation and the overall service provided and delays caused. Because Miss Y disagreed with RSA, she referred her complaint to this service.

Our investigator considered the issues and recommended that the complaint be upheld. She said she didn't think it necessary for Miss Y to appoint her own loss assessor and didn't think the cost of this should be covered by RSA. But she recommended that RSA cover the costs of areas directly affected by the leak.

As Miss Y didn't agree with our investigator's assessment, the complaint has now come to me to decide.

## **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'm upholding this complaint in part. I'll explain why.

- I agree with our investigator that the appointment of a loss assessor was not necessary. Miss Y decided to appoint a loss assessor at the end of July for help in progressing the claim, but this was only some weeks after the claim was initially raised. I can see from the information provided that RSA and its contractors were making progress with the claim and investigations were being carried out to amend the scope of works, when Miss Y chose to appoint her own loss assessor. Whilst I

can appreciate and understand the reasons why Miss Y would wish to appoint her own loss assessor, and the stressful situation she was in, I consider this was her choice and I don't consider it reasonable for RSA to cover the cost of this.

- Regarding the damaged worktops, I've seen a report from the joiner who said some damage was caused when removing the dishwasher to gain access to the leak. And I've also seen photographs which support this. So I'm persuaded that RSA is liable to cover half the cost of new worktops. I've considered the photos and submissions Miss Y has provided, but I still don't consider RSA liable for the full cost of the worktops as there's insufficient evidence that all the damage was caused as a direct result of the leak or investigations. However, if it transpires that the current worktops cannot be refitted, then RSA will need to reconsider their scope and pay for new worktops.
- Miss Y believes that RSA should contribute towards half the cost of the cornice, pelmet and three wall end panels as these were also damaged and form part of a matching set. RSA has confirmed that a payment of £250 would be reasonable to cover half the cost of these areas, and I consider this a fair offer.
- In relation to the broken tiles, I've seen photographs which evidence the damage caused to these. And as our investigator said, the damage to these appears to be isolated to around the heating controls, so I'm persuaded that these need to be replaced and RSA should cover the cost of these.
- I also consider the heating controls were damaged as a direct result of the leak. And I've seen an electrician's report which supports this, as it confirms that new heating controls are necessary and that water had tracked down the thermostat cable into the junction box, which could fail in the future if not inspected. RSA should also cover the cost of new heating controls and rectify any issues with the junction box.
- Miss Y says her oven failed an electrical test and this prolonged her being without cooking facilities. However, I don't consider there to be enough evidence to persuade me that the oven failed as a direct result of the leak. So I won't be asking RSA to do any more in relation to this.
- I've considered whether RSA needs to pay anything further for alternative accommodation or as a disturbance allowance. It's paid Miss Y £4000 which it says was an interim payment that could've been used to reinstate the property to make it habitable. And it communicated to Miss Y's loss assessor that she was entitled to a disturbance allowance in emails I've seen. So I don't think it needs to do any more, as this offer was made clear at the time to Miss Y's loss assessor. If RSA wishes to reconsider the amount payable to Miss Y in light of any new evidence provided, then it is free to do so.
- Regarding drying works at the property, I think it's fair for RSA to cover this – but I don't consider it's acted unfairly or that it's not agreed to do this for the last 17 months, as I can see from the correspondence that this was offered previously, once strip out works were complete. So RSA should pay the average of two quotes provided by Miss Y to ensure that the property is sufficiently dry, and for any disinfection works that are needed. It also needs to sufficiently cover any costs directly associated with the drying work, upon receipt of evidence from Miss Y, such as electricity costs for the drying equipment, and any other related work which would need to be carried out in order for the property to be properly dried.
- Miss Y is dissatisfied with the overall handling of her claim, and has mentioned RSA

caused unreasonable delays and that there was a lack of responsiveness, among other things. I've considered very carefully everything she's told us about how RSA managed the claim as well as all her written communication and the numerous photographs she's sent us. RSA has offered Miss Y £250 which I consider a fair and reasonable amount of compensation for the distress and inconvenience in this case, so I won't be asking it to further compensate Miss Y. This is in part because I can only consider matters up until the final response was issued by RSA to Miss Y on 3 February 2022. I cannot award compensation for events or poor service after that date. For this to be considered, Miss Y would need to submit a new complaint to RSA for anything she's unhappy about which took place after 3 February 2022.

- Miss Y has raised a number of additional points such as the submissions she's made in relation to mould mites at the property and the pest control company costs, issues regarding the concrete and concrete screed and further testing. As these are also issues which were not considered in RSA's final response letter dated 3 February 2022, Miss Y will need to raise a new complaint to RSA if she remains unhappy with how they've responded to these issues. I understand Miss Y has raised some issues with RSA some four weeks ago and it has yet to respond fully. If RSA fails to respond within eight weeks of Miss Y raising these points with it, then she may be able to bring a new complaint to this service about those issues, but not about the issues covered in this decision.
- I appreciate Miss Y would ideally like for me to confirm that all the points she's raised will be covered and dealt with under this decision. But that doesn't reflect the informal nature of this service, nor would it be possible for me to deal with matters not addressed in the final response letter. It's also not for me to compile a schedule of work that's now needed. It's for RSA to now put together an updated schedule of all the payments due to Miss Y and to reconsider the claim in light of this decision. It must also deal promptly with any new complaint Miss Y brings to it, in relation to outstanding issues that were not addressed in its final response letter dated 3 February 2022. I hope this decision, however, goes some way to allowing Miss Y and her family to commence work to significantly improve their living conditions.

### **Putting things right**

Royal & Sun Alliance Insurance Limited must now:

- Cover the cost of the replacement heating controls.
- Cover the cost of replacing the damaged wall tiles.
- Pay 50% towards the cost of the replacement worktops and the remaining four base end panels.
- Pay 50% towards the doors only of the remaining base units.
- Pay £250 towards the damaged cornice, pelmet and panels.
- Pay the average of two quotes for drying/disinfecting the property which are to be provided by Miss Y once strip out works are complete.
- Complete any other payments already agreed directly with Miss Y or her loss assessor.
- Respond promptly and in full to any further complaints Miss Y has raised in relation

to issues not covered in this decision.

### **My final decision**

I uphold this complaint in part and require Royal & Sun Alliance Insurance Limited to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss Y to accept or reject my decision before 22 December 2022.

Ifrah Malik  
**Ombudsman**