

## **The complaint**

Mr and Mrs F complain that Royal & Sun Alliance Insurance plc (RSA) failed to fully assess their claim, resulting in avoidable delays.

Mr and Mrs F had buildings and contents insurance underwritten by RSA. Mr F is the named policyholder so, for ease, I'll refer to him throughout my decision.

## **What happened**

Mr F claimed under his policy for extensive damage to his home caused by a leak under the floor. RSA accepted the claim, but Mr F wasn't happy about the extent of its investigation into the damage. He said there was far more damage evidenced than RSA had identified.

Initially, RSA made a cash settlement offer, but Mr F didn't think it was enough to cover the costs of the full repairs needed. Eventually, RSA accepted that it hadn't fully identified the damage that needed repairing and agreed to provide a list of works and timetable. RSA said it would cash settle the claim upon receipt of quotes, it apologised for the delays it had caused, and paid Mr F £250 by way of apology.

However, RSA didn't provide the list of works, despite chasers from Mr F, so he brought his complaint to this service.

While the complaint was with our service, RSA provided the list of works, as Mr F had requested.

So, the issues our investigator considered were those relating to delays handling the claim, and the extended stay in alternative accommodation. He agreed there'd been avoidable delays caused by RSA failing to fully assess the damage and the repairs needed. When it did understand the full extent of work required, RSA failed to send a work list to Mr F until some months later. Our investigator upheld the complaint, and in recognition of the avoidable delays, he recommended that RSA pay Mr F a total of £400 by way of apology for the delays.

Mr F didn't agree. He felt a four-figure payment was more appropriate given that he and Mrs F were living in a caravan through winter months, and RSA hadn't sent them the work list promptly.

The complaint was passed 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.

I've decided to uphold Mr F's complaint. But, while I realise Mr F will be disappointed, I won't be asking RSA to do any more than our investigator proposed. I'll explain why here.

## **Schedule of work**

RSA has now sent Mr F a schedule of work and agreed a cash settlement. Given that this issue is no longer in dispute, I won't comment on it any further. That said, I will take it into consideration when thinking about the avoidable delays.

## **Delays**

I note Mr F was unhappy with the number of different contractors that RSA used when dealing with his claim. It's common for insurers to use several different contractors during a claim. That's because they will each address the issues relevant to their area of expertise. That said, it clearly contributed to the lack of communication Mr F complained about, and the resulting delays.

RSA agreed it hadn't communicated with Mr F as well as it should've done. Because of that, Mr F experienced delays which could otherwise have been avoided. For example, mould growth and water damage that weren't initially identified meant drying was needed. That could've begun much sooner, but didn't actually start until four months later.

There's no dispute that Mr F shouldn't have suffered those delays, so I've taken them into consideration when deciding on the level of compensation.

## **Compensation**

RSA paid £250 by way of apology. I've thought about this, the compensation proposed by our investigator, and Mr F's request for at least four figures.

In all, the delays meant Mr F's claim wasn't dealt with properly until around four months later. During that time, and at his request, RSA provided a caravan for Mr and Mrs F to live in while their home was uninhabitable. But because of the delays, they were still in the caravan during winter. I note that RSA contributed towards the additional heating costs, so the inconvenience was the additional time being in the caravan during the colder months.

I can't say that RSA treated Mr F unfairly by providing a caravan rather than another form of alternative accommodation. That's because he specifically requested it. Mr F gave the reasons for wanting to stay near his home, which I completely understand. But it doesn't change the fact that he did have the option to be in more suitable accommodation. So, the delays didn't cause Mr F to be in the caravan, though they did cause him to be in it longer than necessary.

The compensation, then, is to address the avoidable delays, but I can't fairly increase the compensation because of the circumstances around the caravan in winter because, as I said, that was Mr F's choice.

I'm satisfied that RSA should've handled this claim sooner than it did and the failure to do so caused delays of around four months. I agree that £250 isn't quite enough to address this, but I'm satisfied a total of £400 is a fair and reasonable sum. Therefore, I'll be asking RSA to increase its payment by £150 bringing the total to £400.

## **My final decision**

For the reasons given above, my final decision is that I uphold the complaint and Royal & Sun Alliance Insurance plc must:

- increase its compensation payment to Mr F by £150, bringing the total to £400.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 5 January 2023.

Debra Vaughan  
**Ombudsman**