

## **The complaint**

Ms E complains about Royal & Sun Alliance Insurance Limited (RSA) and their decision to initially decline her claim, before providing her with a settlement offer that she feels is unsatisfactory.

## **What happened**

Ms E held a home insurance policy that was underwritten by RSA. On 18 February 2022, Ms E contacted RSA to make a claim on this policy, after her roof had sustained damage following a storm.

RSA instructed a surveyor, who I'll refer to as "B", to attend Ms E's home and inspect the damage to her roof. This inspection took place on 26 February. But in the time between B attending Ms E's property and when the damage occurred, Ms E had arranged for a local roof contractor, who I'll refer to as "X" to repair the damage. So, when B attended the property, they saw no visible damage to the roof. And they felt the damage inside Ms E's home was consistent with a leak that had been present over a period of time, rather than due to a storm. So, B recommended that the claim be declined.

RSA relied on the report B submitted and declined Ms E's claim. Ms E was unhappy about this, so she raised a complaint.

Ms E didn't think RSA's decision to decline the claim was fair. She explained she'd instructed X to complete temporary repairs as her home would've been uninhabitable without this. And she explained X had recommended the whole roof be replaced, due to the damage the storm had caused. So, she thought RSA should arrange for her roof to be replaced or to provide her with a settlement amount that would cover X's costs to do this work.

RSA responded to the complaint and didn't uphold it. They thought they had acted fairly when relying on the report provided by B, as B was the expert who had attended Ms B's property. So, they didn't think they needed to do anything more. Ms E remained unhappy with this response, so she referred her complaint to us.

While the complaint was with our service, RSA explained they were reviewing their initial decision, as Ms E had provided them with images taken by X before they completed a temporary repair. And following this review, RSA decided to offer Ms E a settlement amount of £1,203.13 which was intended to repair the area of roof shown to be damaged by the storm and any internal damage related to that section of the roof. But they explained they wouldn't be replacing the whole roof, as they didn't think there was any evidence to show the whole roof was damaged solely by the storm.

Ms E rejected this offer, and she maintained her belief the whole roof would need replacing based on the advice and quotes provided by X.

Our investigator looked into the complaint and they felt the settlement offer put forward by RSA was a fair one. They explained that, at the time RSA declined Ms E's claim, there was no evidence to show any damage to the roof. So, our investigator thought RSA acted fairly at

this point in time, relying on B's report. But they recognised X had taken photographs of the damage before the repair had been completed. And they thought RSA had acted fairly by asking B to consider these and from this, offer Ms E a settlement amount to recognise the damage that could be shown in these photos.

But crucially, our investigator didn't think RSA were unfair to refuse Ms E's request of a total roof replacement, as our investigator didn't think there was evidence to suggest this was required solely due to storm damage. And although Ms E had provided quotes from X stating this was needed, our investigator didn't think the quote from X could be seen as independent, as X stood to profit from completing the work. So, our investigator didn't think RSA needed to do anything more than the offer they had already put forward.

Ms E didn't agree. She thought our service should be able to rely on the quotes and documentation provided by X. And she explained it was unreasonable to expect her to obtain a surveyor's report at a significant cost to herself given her personal situation. Ms E maintained her belief the offer put forward by RSA was unfair and wouldn't provide her with the funds to complete the necessary repairs to her roof. As Ms E didn't agree, the complaint has been passed to me for a decision.

### **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 think the settlement offer put forward by RSA is a fair one. And I think RSA's initial decision to decline the claim was reasonable, based on the information they had available to them at the time. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

First, I want to recognise the impact this complaint has had on Ms E. I want to reassure Ms E I've considered at length her personal circumstances and how these are likely to have made the situation she's found herself in worse. I appreciate Ms E took out her insurance policy to help protect her financially in situations such as this one. So, when RSA initially declined her claim, and then offered her a settlement which was for less than the quotes she'd been provided by X, I can understand why Ms E would feel as though she'd been unfairly treated.

But for me to say RSA should do something more than they have already, I need to see evidence that satisfies me they've done something wrong. So, I'd need to be satisfied RSA were unfair to decline the claim initially, and it was an error for them to do so. Or, if I think they acted fairly here, I'd need to be satisfied that the settlement offer they've made since is an unreasonable one and that it fails to fall in line with the terms and conditions of the policy Ms E held. And in this situation, I don't think that's the case.

I've seen the terms and conditions of the policy Ms E held. These terms explain in both the Buildings and Contents sections that Ms E was insured for *"damage to your buildings/contents by specific causes including fire, storm, flood, escape of water and subsidence"*. The terms and conditions also go on to explain that damage caused by *"general maintenance, wear and tear"* isn't covered under the policy.

So, for RSA to accept Ms E's claim, they first needed to be satisfied that there was damage, and that this damage was caused by a specific insurance event. In this case, Ms E was claiming the event was a storm.

RSA instructed B, an independent surveyor, to inspect Ms E's home and provide a report.

I've read this report at length and considered the images that were included within it. It confirms that at the time of inspection, Ms E's roof had been repaired to a level that meant B was unable to see any damage that looked as though it was caused by a storm. Ms E doesn't dispute this fact, as she's explained she needed to instruct X to complete a repair to ensure her home remained habitable. I understand why Ms E did this, and I'm not suggesting she was wrong to do so. But I think this impacted B's ability to assess the damage at that point in time.

I can also see B felt the internal damage suggested a leak over an extended period of time, rather than it being caused due to the recent storm. So, because of this and their being no evidence to show any damage on the external roof, B recommended the claim be declined as there was no evidence of an insurable event. As B were the appointed expert, and with no other evidence available to RSA at that time, I think RSA were fair to rely on this report and so, I don't think I can say they acted unreasonably when declining the claim.

But it's not in dispute that Ms E has since provided photos taken by X, before they completed the repair. And I would expect RSA to take these into consideration, which I can see they've done, referring them onto B so B were able to decide whether the claim should be accepted instead.

And having done so, RSA have offered a settlement of £1,203.13 to Ms E. So, I think it's been accepted by RSA, after consultation with B, that there was damage caused by a storm and so, an insurable event that is covered under the terms of Ms E's policy.

But I'm aware Ms E feels the settlement offer is an unreasonable one, as she's been told by X the entire roof needs to be replaced. While I understand why Ms E would rely on the opinion of X, I don't think this means RSA should. This is because I don't think X, or any quote they provide, can be seen as independent as X would be the company completing the repair work. So, they will profit off any repair work undertaken.

From the photo's I've seen, these show only part of Ms E's roof as being damaged by the storm. And as I've already explained above, for any repairs to be considered under the policy, the damage itself must first have arisen from an insurable event. So, without independent evidence to show the entire roof was damaged purely due to the storm, I don't think I can say RSA should replace the whole roof or offer a settlement to cover the cost of this.

And in B's initial report, they expressed their belief that the inside of Ms E's home, and in particular the ceiling, was in poor condition and this was likely caused due to an existing and gradual leak that had been in place for some time. So, I think RSA were fair to continue to rely on this and offer a settlement amount for the contents that related directly to the area impacted by the storm damaged roof above.

Because of the above, I haven't seen any evidence that satisfies me the settlement offer RSA have put forward is unfair. Or, that it's been made outside of the terms and conditions of the policy Ms E held.

### **Putting things right**

It's not in dispute that Ms E has not yet received the settlement offer put forward by RSA. And that this offer was put to Ms E after RSA's initial complaint response, due to additional evidence being submitted for their consideration.

As I think this offer is a fair one, I think this is an offer RSA should now pay Ms E, so she is able to make arrangements to repair the parts of the roof damaged by the storm in February

2022.

### **My final decision**

For the reasons outlined above, I uphold Ms E's complaint about Royal & Sun Alliance Insurance Limited and I direct them to take the following action:

- Raise payment for the total settlement offer of £1,203.13.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms E to accept or reject my decision before 16 January 2023.

Josh Haskey  
**Ombudsman**