

The complaint

Miss R is unhappy with the way Royal & Sun Alliance Insurance Limited (RSA) handled her claim following water damage in her kitchen.

What happened

Miss R had buildings and contents insurance underwritten by RSA.

In summary, Miss R's kitchen floor collapsed in places, allowing an appliance to fall through to the floor void. She claimed under her policy and RSA appointed contractors to assess the damage. To begin with RSA declined the claim due to a misunderstanding about the findings of one of the contractors. However, five months later, RSA accepted the claim for the kitchen damage.

Miss R was unhappy about the way RSA handled her claim for the following reasons:

- The kitchen was left with holes in the floor.
- Miss R injured her leg when she fell through one of the holes, and she was unable to seek treatment due to the national lockdown.
- RSA's disturbance allowance (DA) payment of £10 per day wasn't enough to cover her living expenses or care for her cats.
- RSA missed other leaks, allowing her home to become damaged further.
- Miss R said RSA didn't send her the information she asked for.

In response, RSA said:

- It offered alternative accommodation (AA) which Miss R declined.
- The hole she fell through wasn't a result of the work it had done.
- The DA payment was to help with additional costs while Miss R couldn't use her kitchen – it wasn't intended to cover all of her living costs.
- RSA paid the DA for three weeks after it settled the claim.

RSA said it hadn't done anything wrong in respect of the above points, but it upheld part of Miss R's complaint:

- It incorrectly closed her claim, causing five months of delay.
- Because of that, it offered £500 compensation and appointed a project managing assessor (PMA) to progress the claim.
- And RSA agreed to look at any quotes Miss R provided for her damaged kitchen flooring.

Miss R was unhappy with RSA's offer, so she brought her complaint to us.

Our investigator didn't uphold the complaint. He said although RSA had delayed handling the claim, its compensation offer was fair in the circumstances. Our investigator didn't think RSA was responsible for the remaining issues of complaint.

Miss R didn't agree. She repeated her complaint and provided photos and reports to support her position. Miss R asked for an ombudsman 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've decided not to uphold Miss R's complaint. While I realise this will be a disappointment to her, I'm satisfied that RSA has done enough to put right any matters for which it was responsible. I'll explain.

There's a lot of evidence in respect of this complaint, including correspondence, reports and photos. And Miss R has raised a number of complaint issues. I won't repeat everything here. Instead I'll comment on the key points and refer to the evidence where I think it helps me explain the reasons for my decision.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So, my role is to decide, based on the evidence, whether RSA handled Miss R's claim promptly and fairly.

Delays

There's no dispute that RSA initially turned down Miss R's claim, causing significant delays. To put matters right, RSA paid £500 compensation and appointed a PMA to progress the claim. As the claim moved along once the PMA was appointed, I'm satisfied that RSA handled this element of complaint fairly, and the compensation is in line with what I'd expect in the circumstances. Therefore, I see no reason to ask RSA to do any more here.

Holes in the kitchen floor

Miss R complained that RSA left her with a kitchen floor full of holes. She said she fell through a hole injuring her leg. RSA considered the floor too weak to hold a temporary floor, so it offered AA while Miss R couldn't use her kitchen.

The expert reports prepared by contractors who visited Miss R's home confirm that the floor was too weak to offer a temporary repair. However, there's no evidence to support Miss R's claim that she fell through a hole caused by anything RSA or its contractors did.

The reports state that Miss R's home was affected by more widespread damp, and much of the damage was unrelated to the leak which caused the appliance to fall through the floor. In the absence of any firm evidence, I can't reasonably say that RSA was responsible for Miss R injuring her leg, or for the circumstances that meant she felt unable to attend hospital for medical attention.

I don't find that RSA did anything wrong here.

Alternative Accommodation

I've looked at the evidence and see that Miss R moved in with a relative to begin with. RSA said it offered AA but Miss R didn't agree. The notes RSA provided which record conversations and action taken at the time of Miss R's claim show it offered AA. And, given the extent of damage and the confirmation that the floor was disintegrating, I think it's more likely than not that RSA did offer AA. I understand Miss R wants details of the accommodation she was offered. However, if she declined the offer because she'd moved into her relative's house, then RSA wouldn't have sourced accommodation. Therefore, there's no information to provide.

Overall, I'm persuaded that RSA, more likely than not, offered AA.

Disturbance Allowance

Miss R said the disturbance allowance RSA paid was insufficient to cover her living expenses, meaning she had to move from her relative's house due to the cost of upkeep.

RSA paid Miss R £10 per day, which is the industry standard. The disturbance allowance is not intended to cover all living costs. It is intended to be a contribution towards additional costs – those over and above Miss R's usual costs. For example, Miss R would ordinarily pay for food, so she'd still be expected to pay for her own food. But if, for example, she incurred additional costs because she needed to travel further to attend an appointment, then the allowance is expected to contribute towards that additional cost.

I note that RSA continued to pay DA for three weeks after it cash settled Miss R's claim. It's not required to continue making the payment, so I think that was a fair thing to do.

Overall, I'm satisfied that RSA reasonably paid DA towards Miss R's costs, and I see no reason to ask it to do any more in respect of this issue.

Kitchen floor covering

RSA accepted that its contractor likely caused damage to Miss R's kitchen floor covering. In response to her complaint it agreed to consider her new floor covering costs. As that would put Miss R in the position she'd have been in if the damage hadn't happened, I'm satisfied it's a fair offer.

Further leaks

Miss R complained that RSA didn't identify other leaks or send her the reports she asked for. I understand Miss R has now received the reports. Having looked at the evidence, and as I've already said, the reports confirm that there was an issue of damp throughout Miss R's house. And it's the damp which appears to have contributed to the overall damage. RSA said it didn't identify other leaks as part of this claim. If Miss R believes there are other leaks which caused damage in her bathroom and to her windows, she'd need to make a separate claim.

I haven't identified anything here which RSA needs to put right.

Additional claims

Miss R was unhappy that RSA didn't provide cover for a replacement washing machine or the accidental damage caused when she injured her leg.

I checked with RSA and it confirmed that Miss R took out optional extras on her policy which included accidental damage to both buildings and contents.

In its final response to Miss R, RSA said the further damage was unrelated to the claim and, *'these items cannot be considered under this claim'*. While Miss R questioned why there was no cover under accidental damage, I'm satisfied that RSA hadn't declined a claim. It simply explained she would need to make a *new* claim. Therefore, I don't think RSA did anything wrong by telling Miss R it couldn't consider the additional, accidental damage under the same claim.

Should she wish to make a separate claim, Miss R would need to follow the claims process and RSA would consider her claim in line with the terms of the policy.

Overall, I can see this matter caused Miss R considerable distress and inconvenience. However, my consideration of her complaint about RSA is in respect of that which it could've reasonably prevented. There will always have been disruption caused by the event itself, and I can't fairly hold RSA responsible for everything that happened. But, where I've identified shortfalls in its service, I'm satisfied RSA did enough to put matters right and compensate Miss R for the avoidable distress and inconvenience.

I see no reason to ask RSA to do any more.

My final decision

For the reasons I've given, the evidence persuades me that Royal & Sun Alliance Insurance Limited did enough to put matters right and its compensation offer is fair and reasonable in the circumstances.

My final decision is that I don't uphold Miss R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 28 February 2024.

Debra Vaughan
Ombudsman