

The complaint

Miss C complains Royal & Sun Alliance Insurance Limited have handled a home insurance claim poorly.

RSA's been represented by contractors for parts of the claim. For simplicity at times, I've referred to the agents' actions as being RSA's own. In other places I've referred to the individual contractor. Miss C's been represented, for the claim and complaint, by her daughter Miss CJ.

What happened

Miss C and her mother, Mrs C, were joint policyholders of an RSA home insurance policy. It renewed in October 2020. In July 2021 the insured property was damaged by a fire. It also sustained water damage from efforts to extinguish the fire and rainwater. They claimed for the loss against the RSA policy.

RSA accepted the claim. RSA appointed a loss adjuster (S) to deal with it. Specialists, (R) were also appointed. RSA arranged alternative accommodation (AA) for Mrs C, Miss C and Miss CJ who all lived at the property.

In August 2022 Miss CJ complained, on behalf of the policyholders, about how RSA was handling the claim. Concerns included lack of progress with, and updates on, the claim and the content of a scope of works. On 18 October 2022 RSA issued a complaint final response. I'll call this complaint the 'October 2022 complaint'.

The response said delays to starting repairs was unavoidable as works to a neighbour's property had to commence first. RSA accepted it was responsible for a delay in accepting the claim, appointing R, and it submitting and rescopeing claim costs. It accepted S hadn't been providing adequate updates and responses to enquiries. RSA accepted there had been a mistake with a recent scope of works provided by S. To apologise for poor service it offered £500 compensation.

Sadly in late March 2023 Mrs C passed away. On 11 April 2023 Miss CJ, unsatisfied with progress of the claim, contacted the Financial Ombudsman Service. She mentioned having received the October 2022 final response. She said she had a new complaint - explaining her frustration at how long it took RSA to decide to install a tanking system and the impact of this on the household. It was explained to her she would need to complain to RSA before this Service could consider her new complaint.

A week later, on 19 April 2023, Miss CJ called this Service again. She raised various concerns. These included the time taken to remove contents from the property and to decide to install the tanking system. She was frustrated at the performance of one of S' employees. In addition she referred to dissatisfaction with delays during the claim and RSA's communication and customer service.

It was explained to Miss CJ that it was one day beyond the six-month time limit for referring the October 2022 complaint, so that might affect what this Service could consider. She was

told the complaint would be put on hold until she returned with documentation related to Mrs C's death.

In early August 2023 Miss CJ got back in touch with this Service. She said RSA hadn't responded to a further complaint she had raised in May 2023. She raised a range of concerns including those covered in the 19 April 2023 call. This Service requested various documentation to enable a complaint to be progressed.

On 10 August 2023 RSA did respond to the further complaint. It issued a second complaint final response letter. I'll call this complaint the 'August 2023 complaint'. RSA said R had provided a list of contents, it hadn't damaged an important item of Mrs C's clothing and didn't accept it had expressed bias or prejudice. It explained it couldn't proceed with repairs to the property until the neighbouring one had been repaired. It said it had to explore all options before incurring additional costs of a tanking system.

RSA did accept there had been some unacceptable delay removing contents and with repairs being completed – with a completion date missed. It accepted there had been a breakdown in the relationship between Miss CJ and its contractors - S and R. It admitted their claim hadn't been handled at the level it expected. It said it would ensure no further delay and poor service. RSA said, once the property became habitable, it would allow R one week to return contents and Miss C two weeks to review them – before it stopped paying for the AA. It offered a further £1,500 compensation to recognise its poor service.

Miss CJ felt the compensation wasn't enough to recognise the impact of RSA's poor handling of the claim. She was also upset that RSA had addressed the final response letter to Mrs C. She asked that we consider the complaint. As Miss C's the surviving policyholder we recorded her as the complainant - with Miss CJ as her representative.

Our Investigator said this Service was unable to consider the October 2022 complaint. She explained it had been referred to this Service more than six months after the final response had been issued. The Investigator said she wasn't aware of any exceptional circumstances responsible for the delay in referring the complaint. So she said in line with our rules, and as RSA hadn't given permission for it to be considered outside of the time limits, we can't consider that part of the complaint.

The Investigator added RSA hadn't given permission for events beyond the August 2023 date of the second final response to be considered. So she limited her consideration to events occurring from the date of the October 2022 final response up until the date of the second one, August 2023.

The Investigator felt the compensation offered for various aspects was fair and reasonable. However she was of the opinion RSA had taken too long to approve the tanking system. She felt if that had happened six months earlier Miss C and her family could have moved back into their home sooner. To recognise the impact of that she recommended RSA pay an additional £700 compensation – on top of the £1,500 already offered.

Miss CJ didn't accept the Investigator's outcome. She said this Service should be allowed to consider the whole claim without requiring permission from RSA. She felt Mrs C's death, whilst in AA instead of her own home, should be considered exceptional circumstances.

In addition she didn't accept £2,200 compensation, in total, as being enough to recognise the distress and inconvenience experienced. She also felt some of her complaint points hadn't been considered.

RSA didn't accept the Investigator's assessment either. It said it wasn't obliged to install the tanking system. It explained the delay in doing so was unavoidable, so it shouldn't be required to pay additional compensation.

As the complaint wasn't resolved it was passed to me to consider. As Miss C didn't accept the Investigator's position that this Service is unable to consider the October 2022 complaint, I issued a jurisdiction decision. I found this Service can't consider the subject matter of the October 2022 complaint – but can consider the complaint points raised subsequent to the October 2022 complaint – including concern at the time taken to decide to install the tanking system.

So this final decision does that – but only considers matters up to the final response date of August 2023. For reasons of practicality, for complaints about ongoing claims, it can be necessary to draw a line somewhere.

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.

As this is an informal service I'm not going to respond here to every point or piece of evidence Miss C and RSA have provided. Instead I've focused on those I consider to be key or central to the issue. But I would like to reassure both that I have considered everything submitted.

I've considered Miss C's reasons for believing £2,200 isn't enough compensation. I've also taken account of the points RSA made to support its position that the additional £700 (to reach £2,200), recommended by the Investigator, isn't justified. However, I feel £2,200 in total will be fair compensation for the issues and events considered as part of this complaint.

I'm not going to set out in detail each of RSA failings here. I don't feel it's necessary as it accepted responsibility for several in its August 2023 complaint response – offering £1,500 compensation. In addition the Investigator provided some greater detail in her assessment of the complaint. The only finding RSA disputed was the Investigator's criticism of, and award of £700 compensation for, how long it took to approve the tanking system. So I've first addressed that issue.

The Investigator accepted RSA's earlier point there had been some unavoidable delay due to owner of the neighbouring property failing to repair their property. Those repairs were necessary to prevent further damage to Miss C's. After pursuing the neighbour and other potential options RSA installed a tanking system in her property. The Investigator said RSA should have approved the tanking system around six months earlier than it did. She felt, had that happened, Miss C and her family might have been able to return home sooner.

In response RSA said the extra compensation isn't fair – as it wasn't obliged to install the tanking system and the delay in agreeing to one was unavoidable. It said it agreed to one as the neighbour wouldn't undertake the required repairs to his property. It said to have the system authorised it needed to explore every option with the neighbour first.

However, I don't accept RSA's position that provision of the tanking system was in some way above and beyond its obligations. An insurer is required to make an effective and lasting repair. It seems for that, as the neighbour wouldn't make appropriate repairs, the tanking system was required. That's supported by RSA's explanation that without the repairs to the neighbouring property (or alternatively the tanking system) there would have been further damage to Miss C's. So any repairs to hers would only be temporary – not lasting. So it

seems because of the neighbour it was necessary, to achieve an effective and lasting repair, for it to install the tanking system.

I accept it was reasonable for RSA to explore other options before installing an expensive tanking system. That will involve some unavoidable delay. However, a recent timeline from RSA, states its first formal contact with the owner of the neighbouring property was in May 2022. There may be a reasonable explanation for RSA waiting until 10 months into the claim before it began attempts at coordinating work with the neighbouring property – but RSA hasn't provided me with one.

In the absence I find RSA should have, considering the importance of those repairs to Miss C's claim, have started that process significantly earlier. Had it done so, it likely would have become aware of the lack of cooperation, the need for a tanking system and so on much earlier than it did. As the Investigator said, that may have allowed Miss C and family to return to the property months earlier than it did. So I'm persuaded her complaint about the time taken to install the tanking system is a reasonable one. And that RSA's handling of that aspect caused avoidable and unnecessary distress and inconvenience. So I've included it in my overall consideration of fair compensation.

Above I touched on the other failings covered by the complaint response and the Investigator. Those include damage to a hat belonging to Mrs C, delays to contents being removed from and returned to the property, delay, completion dates being breached, a lack of claim updates and poor attitude of RSA's agents for the claim. I've also considered Miss C's response to the Investigator's assessment – including other complaint points she feels hadn't been addressed. Having done so, I consider that overall £2,200 to be a fair amount to recognise the impact of RSA's failings. It's already paid her the original £1,500. So I will require it to pay the additional £700.

I accept Miss C feels that amount isn't enough. I recognise RSA considers it too high. But in my opinion it's a fair amount to reflect the sustained distress and inconvenience, over many months, resulting from RSA's failings. The impact will have been compounded by the sad death of Miss C's mother, Mrs C, whilst in temporary accommodation – unable to return to her home.

Finally Miss C has asked that RSA be required to make an apology. I'm not going to require it to. It apologised in both its complaint response letters. I don't think a further apology is likely to add much.

My final decision

For the reasons given above, I require Royal & Sun Alliance Insurance Limited to pay £700 compensation to Miss C.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 25 July 2024.

Daniel Martin
Ombudsman