

## **The complaint**

Mrs M complains about the way St Andrew's Insurance Plc (St Andrew's) handled a claim for subsidence under her buildings insurance policy.

## **What happened**

The circumstances of this complaint, whilst long standing, are well known to both parties so I'll only briefly summarise them here.

- Mrs M made a claim for subsidence at her home in October 2018.
- St Andrew's commenced monitoring movement in the property.
- St Andrew's raised concerns that the property hadn't been maintained, was in need of a full refurbishment and damage had been ongoing for some years. And the delays in reporting damage had significantly increased the claim costs.
- However, the claim progressed and various temporary repairs were carried out over the next 3 years.
- Mrs M moved into alternative accommodation (AA) in 2022 and her furniture and possessions were put into storage whilst further works were undertaken.
- St Andrew's say the internal works were completed by the end of August 2022 and Mrs M could return to her property.
- Mrs M says the property wasn't in a suitable condition for her to return to and she remained in the AA.
- Mrs M raised a number of complaints with St Andrew's, who issued several final response letters.
- St Andrew's acknowledged it'd made some mistakes, and there were delays and poor workmanship at times, there had been poor communication and it hadn't provided the level of service it should. It offered a total of £1,000 compensation to Mrs M but maintained it would only pay for AA to 5 November 2022 and wouldn't pay ongoing storage costs for Mrs M's furniture and possessions.
- Mrs M remained unhappy with the progress of the claim, and that repairs were not complete so brought her complaint to this service in April 2023.
- Our Investigator looked into the concerns Mrs M raised and he addressed each of Mrs M's complaint points in a series of views.
- Ultimately, he concluded St Andrew's should pay for AA for a further 17 days, up to 22 November 2022, pay an additional £750 compensation bringing the total to £1,750. He had previously set out that St Andrew's should make good outstanding issues with plaster repairs, reimburse costs Mrs M incurred in obtaining a report from

one of her contractors, reassess damage to the front steps and patio and assess damage to the chimney and consider costs put forward to restore the downstairs bathroom. He felt any extension of the storage arrangements for Mrs M's furniture and possessions was unreasonable.

- St Andrew's agreed with our Investigator's findings. It has offered to appoint new contractors and scope works for repairs to the areas affected by the subsidence, including plastering, front steps and chimney. It has also said it has agreed a cash offer for the works to the downstairs bathroom.
- Mrs M accepted the majority of our investigators findings but remained unhappy that all the costs she incurred for AA haven't been paid and that St Andrew's wouldn't pay for her furniture and other possessions to remain in storage whilst works were completed to her house. So the case has been 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.

Having done so I've reached a similar outcome as our investigator, and largely for the same reasons.

In this decision I will focus on the unresolved issues rather than comment on all the points raised and resolved over the lifetime of the claim. However, I wish to assure Mrs M that I've reviewed all the evidence and testimony that's been submitted by both parties. And I've carefully considered the testimony Mrs M has provided following our investigators final view. I appreciate Mrs M has strong feelings on her case, and if I don't mention a particular point or piece of evidence, it isn't because I haven't seen it or thought about it. It's just that I don't feel the need to reference it to explain my decision. I hope Mrs M doesn't take this as a discourtesy, it's just a reflection of the informal nature of our service.

St Andrew's initially said it would only pay for AA to 5 November 2022. I agree with our investigators view that that the property became habitable by 16 November 2022 when the upstairs toilet was repaired but given the AA costs were paid monthly to 22nd of each month it was reasonable to pay the costs to 22 November. St Andrew's has now agreed to pay costs to 22 November 2022.

I appreciate Mrs M believes house wasn't habitable at this time, but I'm more persuaded it was, and I've not seen persuasive evidence that the property was uninhabitable. That is not to say all works were completed at that point, simply the house was habitable, and the remaining works could reasonably be completed whilst Mrs M was living in the property. I appreciate there will have been inconvenience and disruption to Mrs M, and the house wouldn't have been as comfortable to live in as would be expected when all works are complete. But for a house to be uninhabitable we'd typically expect it to be unsafe to live in, not have a kitchen or a working toilet. And in this case those facilities were present.

I note there were some issues with the removal company being unable to move Mrs M back home, and some potential access issues. But I'm mindful that even after these issues were resolved Mrs M remained in the AA, so I'm satisfied that these issues didn't have an impact on when Mrs M returned to her home, or the costs she incurred in remaining in the AA beyond November 2022.

Our investigator has explained to Mrs M that a reasonable outcome was that she didn't incur any historical costs for storage, but the storage can't go on indefinitely. And he agreed with St Andrew's suggestion that arrangements be made for the items to be returned. I agree with

our investigator that it's reasonable for the remainder of Mrs M's furniture to be returned to her house, and that it's not reasonable for St Andrew's to incur ongoing storage costs. I'm satisfied the remaining works can be progressed in a furnished house, and steps can be taken by the contractors to prevent the possessions from being damaged whilst repairs are completed. And it's reasonable for St Andrew's to move things forward and bring the claim to a conclusion.

St Andrew's tells us it has paid storage costs up to 22 March 2024, so Mrs M hasn't incurred any historical storage costs. But the items are still currently in storage. St Andrew's has advised it has instructed the storage facility to send future invoices to Mrs M direct as it's not been able to agree arrangements for the return of the items. And I can understand that Mrs M was reluctant to agree to the return pending my decision. To bring closure to this specific point arrangements should be made to return the items as soon as it can reasonably be arranged, and within 1 month of the date of this decision. St Andrew's should cover any storage costs incurred from 22 March 2024 up to the date the items are returned or 30 June 2024, whichever comes first. I believe that is within the spirit of the findings set out in our investigators view dated 4 March 2024.

Claims of this nature inevitably bring a level of inconvenience to the policyholder. St Andrew's doesn't dispute the claim should've been better handled and it offered a total of £1,000 compensation. Our investigator told St Andrew's to increase the award by £750. I find this fair; the level of disruption was beyond that reasonably expected and Mrs M had experienced serious disruption to her daily life over an extended period.

I note St Andrew's has confirmed it has paid the invoice to reimburse the costs Mrs M incurred in obtaining a report from one of her contractors.

St Andrew's has said it would appoint new contractors to complete the remaining works, and that is an appropriate step in the circumstances of this case. I would urge Mrs M to engage with St Andrew's and its contractors and help bring this claim to a conclusion.

### **Putting things right**

St Andrew's should pay Mrs M £1,750 less any amount it has already paid in recognition of its service failings.

It should arrange for Mrs M's possession to be returned and cover storage costs until they are returned or 30 June 2024, whichever comes first. Should Mrs M wish that her items remain in storage it will be at her own expense.

It should progress the outstanding aspects of the claim in line with the terms and conditions of the policy and make any outstanding cash settlements it has agreed.

### **My final decision**

I uphold this complaint and require St Andrew's Insurance Plc to pay a total of £1,750, less any amounts already paid.

I require it to arrange for the remaining items of furniture to be returned, and cover the storage costs until the date of return or 30 June 2024, whichever comes first. And it should progress the outstanding work to conclude the claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 28 June 2024.

Martyn Tomkins  
**Ombudsman**

