

The complaint

Mr and Mrs B complain about the way Royal & Sun Alliance Insurance Limited (RSA) has handled a subsidence claim made on their home insurance policy.

Any reference to RSA includes the actions of its agents. As Mr B has been leading on this complaint, for ease, I'll refer to him in my decision.

What happened

The details of this complaint are well known to the parties, so I won't repeat them again here. Instead, I will focus on the reasons for my 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.

I've also kept in mind RSA's obligations as an insurer to handle claims fairly and promptly. Having done so, I agree with the outcome the investigator reached - I'll explain why.

Both parties have provided a wealth of information, which I've reviewed. I won't address every issue raised and will instead focus on the key reasons for my decision. This isn't meant as a discourtesy but rather reflects the informal nature of our Service.

For the avoidance of doubt, I'm considering the same period as the investigator - namely from the start of the claim until RSA gave an updated position in January 2024. I'm aware Mr B says he's encountered further difficulties with RSA since then, but he'll need to complain to RSA about this before this Service can become involved.

The issue to be decided is whether £650 compensation reasonably reflects the difficulties Mr B says he's experienced as a result of RSA's handling of the claim. The investigator agreed there had been avoidable delays, and thought RSA's communication could have been better, but she was persuaded £650 compensation suitably recognised this.

In reply, Mr B said the compensation didn't appropriately reflect the disruption to his and Mrs B's daily life and he thought the Investigator had been lenient in her assessment of RSA's actions.

Delays

Mr B logged a claim with RSA in August 2022. Between then and November 2022 things progressed reasonably promptly. A timeframe for the works shared with Mr B said the repairs would be completed by August 2023.

However, I'm not persuaded that from December 2022 until March 2023, the claim progressed in a timely manner. Whilst the results of site investigations had been shared with RSA in January 2023, it didn't obtain a quote from an arborist for the mitigation works until April 2023 – which I don't consider to be a reasonable timescale.

In March 2023, Mr B chased RSA for an update on his claim. RSA replied and shared a revised schedule of works which said mitigation works would be pushed back – starting in September 2023 rather than February 2023. Understandably, Mr B was frustrated by this development, particularly as RSA didn't explain *why* this was happening – only doing so when Mr B asked for clarification.

RSA explained the revised dates allowed for possible monitoring of the property following mitigation works. It said it wouldn't know whether monitoring was required until mitigation works had been completed. Because it's not uncommon in subsidence claims for monitoring to be required and for it to extend the life of the claim, I don't consider RSA revising its timeframe to accommodate this to be unreasonable.

Whilst the mitigation works did ultimately, happen ahead of the revised date – in July 2023 rather than September 2023 - there does appear to have been an interval of three months between the arborist's quote being received by RSA in April 2023 and the implicated vegetation being removed in July 2023. I'm not persuaded this delay was due to something outside of RSA's control, and so I don't consider it to have promptly progressed the claim during this time.

The period between mitigation works happening and the contractor's site visit in September 2023 was to allow for the ground to settle following the removal of the vegetation. I'm satisfied this was reasonable.

In October 2023, RSA received the scope of works. However, it wasn't approved and shared with Mr B until early January 2024 - almost four months after contractors had visited his property to scope the works.

RSA have acknowledged there was a delay in finalising the scope of works and appears to attribute this to a lack of contractor availability, and subsidence claims being more complex by their very nature. Whilst I agree subsidence claims are often more involved, I haven't been provided with evidence which persuades me it was reasonable for it to take RSA three months to approve the scope of works.

Communication

I'm satisfied RSA didn't always provide Mr B with the level of communication and contact he could have reasonably expected. Mr B has had to initiate communication on a number of occasions to receive updates on his claim. And I don't doubt this compounded what was already stressful circumstances for him.

Conclusion

Understandably, this has been a difficult time for Mr B – and I recognise his strength of feeling about it. I agree RSA has caused avoidable delays, and I appreciate why Mr B feels let down by the service he's received. But in determining whether the compensation is fair, I have to separate the upset he's experienced as a result of the *damage* to his home from that which is attributable to RSA's handling of the claim.

RSA acknowledge it's not handled Mr B's claim as well as it should have. And in light of what I've said above, I agree it hasn't. But I'm satisfied that in paying £650, RSA has fairly compensated Mr B for the impact its actions have had on him and Mrs B.

I say this because while the delays and poor service would have been frustrating for Mr and Mrs B, their claim had been accepted, progress was being made and the property was habitable and not suffering further from material additional damage as a result of the delays.

It follows that whilst I sympathise with Mr and Mrs B, I'm not requiring RSA to pay them more than this.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B and Mr B to accept or reject my decision before 7 March 2025.

Nicola Beakhust
Ombudsman