

The complaint

Mrs C is unhappy with how Royal & Sun Alliance Insurance Limited (RSA) has handled a claim for subsidence made under her building insurance policy.

Any references to RSA include their agents. Mrs C is represented by her son, Mr C.

What happened

In early 2016, RSA were notified of a potential claim for subsidence at the studio in Mrs C's garden. Over the course of the next two years a site investigation and monitoring were carried out and various reports from contractors and arboriculturists were provided. It was determined the likely dominant cause of the subsidence was the vegetation in Mrs C's neighbours' garden.

RSA reached out to Mrs C's neighbour, making an offer to remove the vegetation. This offer was refused, and underpinning of the studio was considered. Over the next two to three years, Mrs C says no progress to stabilise the studio was made. RSA appointed a solicitor to take action against the neighbour and, in June 2022, other structural solutions were considered.

Mrs C expressed concern about how long the claim was taking in January 2023. She said the property had deteriorated to such an extent the back door could no longer be opened. In December 2023, Mr C complained on his mothers' behalf. RSA told him that they were looking to implement a robust repair scheme.

RSA's final response letter was sent in June 2024. RSA said this had taken a very long time and there were two key areas where the claim could have been progressed more quickly. These delays were in the loss adjuster contacting Mrs C's neighbour and then further delays in the repairs being authorised, which resulted in further investigations being required. RSA offered Mrs C £1,000 compensation for the distress and inconvenience experienced.

Mr C referred Mrs C's complaint to the Financial Ombudsman Service. Their concerns were considered by one of our investigators who said the compensation should be increased to £1,750. She also said RSA should ensure any removals or storage of items should be carried out as part of the claim rather than being undertaken by Mrs C. And she said RSA should set out a clear method for stabilising the property which should be provided within one month of her conclusions being accepted.

RSA didn't respond to our investigator's conclusions, so this matter 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.

RSA's handling of the claim

This claim was first notified in 2016 and remains ongoing. It's understood that subsidence claims can be complex and long running. I appreciate there have been some challenges with RSA trying to agree with Mrs C's neighbour to remove the vegetation which has been identified as the cause of the subsidence to the studio.

However, based on the timeline provided by RSA, there have been significant periods of inaction. In particular, the timeline provided by RSA suggests in December 2020 there was a request for a legal letter to be sent to the neighbour which outlined underpinning costs. The next entry is dated 2 August 2022 which noted mitigation has failed and there needed to be a move towards "*robust repairs, not underpinning and contraction instructed*". The next entries are from 2023 which stated in March the scope of works was supplied, in May it was added to the file and in December it was approved. I can't see there's any reason provided to explain how it could take nine months for a scope of works to be considered and approved.

It's not surprising that given the passage of time, further site investigations were required. This is because there seems to be an absence of site visits beyond the initial one in 2017 and April 2024. And while I appreciate the challenge around the neighbours' refusal to remove the vegetation will likely have delayed this matter, it's clear that RSA is responsible for significant delays in progressing this claim. I'm not persuaded that removing the vegetation was the only option available to RSA in order to stabilise the studio.

Mr C has set out how this matter has impacted Mrs C. Unfortunately, since the claim was logged, Mrs C's husband passed away. And Mr C has outlined how the stress of this long running matter has impacted Mrs C's health and caused her significant worry and distress.

RSA has had a number of opportunities to explain why this matter has been running for such a long time, but they haven't done so. As far as I can see, the only mitigating factor to this claim is that the subsidence is limited to the studio in Mrs C's garden, not to her house. Our investigator said RSA should pay Mrs C compensation of £1,750 and RSA didn't provide any comments in response to this. I'm going to require RSA to pay this amount to compensate Mrs C for the stress and worry caused by their handling of this claim.

The claim outcome

RSA haven't set out how they'll settle this claim or stabilise the property. The file shows several different options beyond the removal of the vegetation have been explored. These include a ground injection scheme, underpinning the studio, a mesh scheme and rebuilding shire piles. But none of these options have resulted in lasting and effective repairs being carried out to Mrs C's studio.

Our investigator said RSA needed to set out within a month from her conclusions being accepted how they intended to carry out the repairs. RSA didn't respond to her conclusions or say this wasn't possible. So, from their lack of response I'm going to assume this is possible and require RSA to do the same.

And as part of setting out how the method of stabilisation and repairs will be carried out; RSA also will need to include any clearing of the studio in the schedule of works. Previously, it's been suggested that Mrs C would need to take responsibility for this. In these circumstances, given Mrs C is now into her eighties, has health conditions and has found this long-running matter to be stressful, it's appropriate for RSA to take responsibility for this.

This was also recommended by our investigator in her conclusions which RSA didn't respond to, so I'm again assuming they don't have any objections to this as part of any recommendations to put things right.

Putting things right

To put things right I require RSA to:

- Pay Mrs C £1,750 compensation.
- Within one month of the date this decision being accepted, provide Mrs C with a schedule of works which sets out the repairs required to provide a lasting and effective repair to the studio.
- The above schedule of works should also include responsibility for clearing the studio as required, in readiness for the repairs to be carried out.

My final decision

I uphold Mrs C's complaint and order Royal & Sun Alliance Insurance Limited to do what I've set out above in the "Putting things right" section.

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

Emma Hawkins
Ombudsman