

## **The complaint**

Ms G complains that Royal & Sun Alliance Insurance Limited (RSA) has treated her unfairly when dealing with a claim made on her buildings insurance policy.

## **What happened**

The background to this complaint is well known to both sides, so I'll focus on what I think is relevant to the complaint and my findings.

Ms G notified RSA at the end of October 2023 of concerns about cracks at her property. RSA instructed a surveyor to attend the property and assess the damage and likely cause of this and they attended the property on 13 November 2023. Ms G said when the property was inspected, the surveyor said they suspected the cracks to be the result of thermal movement.

The report was completed on 15 November but Ms G did not receive this at the time. It later became apparent her email address had been recorded incorrectly which resulted in information and updates not being received. The report said it felt there was possible subsidence at the property and when Ms G had received this, she disputed what was said and asked RSA to arrange an independent survey.

In May 2024, Ms G complained to RSA about how it had handled and recorded the details of her claim and it sent a final response on the complaint on 12 July 2024.

Following this, Ms G appointed her own independent report with a chartered structural engineer. This report contradicted the findings of RSA and the report completed in November 2023. On receipt of this report, RSA changed its position on the subsidence claim and whether the property had suffered subsidence. Ms G made a further complaint to RSA in August which focused on a number of things relating to the change in its position and how RSA should handle this. This complaint was raised after her complaint, dealt with by RSA's final response on 12 July 2024, had been brought to this Service.

Our investigator looked at this complaint and made it clear he was only considering the events dealt with in the final response of July 2024. If Ms G was unhappy with the response to her subsequent complaint raised with RSA, this could be brought to us as a separate complaint.

Our investigator felt RSA had acted reasonably when relying on the information it had when dealing with Ms G's claim and recording this as subsidence. He felt it had relied on expert evidence which had not been disproven at the time and as such, it had not acted unfairly when recording what it did.

However, our investigator felt there was a number of customer service failings during the handling of the claim. This resulted in Ms G experiencing more inconvenience than it is reasonable to expect and he didn't think the award of £300 for this made by RSA was fair. He recommended that this be increased by a further £150 to a total of £450.

RSA accepted our investigators award.

Ms G did not accept the outcome and asked that the complaint be referred for decision.

Ms G said she didn't think our investigator had fairly considered her points or previous complaint and RSA had failed to do this too.

Our investigator explained he had focused on what was dealt with in the initial complaint and considered whether RSA acted fairly based on what information was available to it at the time. This included whether it was acting fairly when recording the information it had, or whether it needed to do anything else. He remained of the opinion that the claim decision, based on the information available at the time was fair. But that RSA needed to do more to recognise the impact of the service failings when reaching this 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 decided to uphold this complaint in part, for much the same reasons as our investigator. I know Ms G will be disappointed by this, but I'll explain why I've reached this decision.

For clarity, I am only considering what RSA has done and its actions up until the date of its final response on 12 July 2024. I appreciate this claim and the position on this from RSA has changed over time as more information has been provided. But when considering complaints, we cannot look at everything as it comes in or treat these as live events. There has to be a line in the sand for a timeline of events and the final response issued by a business provides this. It will set out what has happened up until this point and we can consider whether it has acted fairly and reasonably when doing this.

If issues continue with a claim, as information is provided, the business needs to be given the opportunity to consider this and its position. And ultimately if a further complaint is raised, the business needs to be able to respond to this. If Ms G is unhappy with RSA and its response to her subsequent complaint, she can bring it to this Service for consideration. But it is not fair for us to include this in the reasoning to this complaint and how the claim was handled up until July 2024.

The crux of this complaint is whether RSA has acted fairly and reasonably when recording and handling information about Ms G's claim. I'll deal with the two issues in turn in my decision.

#### ***Recording of the claim***

Ms G has raised concerns about the information recorded on her property and damage RSA says was identified at her property.

Ms G has said when RSA's surveyor attended her property, they did not indicate any concerns about subsidence at the time. Instead reference was made to this being likely "thermal movement and nothing to worry about". I don't dispute that the surveyor may have indicated at the time there was no concerns, but this was an opinion in the moment over their finalised position on the damage and whether this was or was not subsidence related.

The report issued on 15 November 2023 but not seen by Ms G until later, made a number of other statements which Ms G has disagreed with and disputed happening. This includes comments made about re-pointing of mortar which has "*since re-opened*". Ms G said there

has been no previous repair and any cracking cannot be from this re-opening. And if this crack was of concern to her, she would have mentioned it when making the call-in reference to the crack in the flat roof.

I appreciate the concerns Ms G has about the accuracy of the information in the report and how it contradicts conversations she says took place on the day. But the report is the opinion of the surveyor who assessed the property on the day. It doesn't say a previous repair definitely had been completed but it appeared this may have happened and that Ms G did not complete this and it was unknown to her if there was a previous repair.

The overall opinion of the surveyor based on the visit and inspection was:

*"The pattern and type of cracking would suggest that the damage has resulted from subsidence of the site. The most likely cause of subsidence is the softening of soils by effluent or water leaking from damaged underground drainage or water supply pipes.*

*We believe there is evidence of subsidence damage, but this is subject to further investigation before we can confirm Insurers liability."*

Ms G needed to chase RSA after the inspection as she didn't hear anything after this and it wasn't until she was contacted for the drainage report to be booked in that she was notified the claim has been investigated as a possible subsidence claim. And despite having monitoring studs fitted after Ms G needed to chase for this to be done, no monitoring of the wall took place.

In February 2024 a drainage investigation report was completed and in support of the opinion of the November surveyor and cause of the subsidence, identified damage to some of the underground pipes at Ms G's property.

Ms G said she was reluctant for the drainage inspection to be completed until the wall monitoring had been. And RSA sets out within its terms and conditions for the policy that it will at its own opinion decide whether to arrange for specialist investigations to be carried out. So although Ms G would have preferred this to be done later, I don't think RSA was acting unfairly or out of line with the policy terms when it asked for this to take place.

When the drainage report was completed there was added inconvenience which I will deal with later when considering the overall service. But the report did demonstrate an issue with the drains which could be the cause of the identified cracking.

RSA and its agent asked Ms G for more information following the results of the drainage report and said further monitoring of the walls would continue. And it was going to investigate the claim as a potential subsidence claim based on the information it had received to date.

When the complaint was raised and final response issued, Ms G had not provided all of the additional information RSA had asked for and the claim was placed on hold until Ms G provided the pre purchase survey report. Until this was taken off hold and the document received, RSA said it could not confirm liability under the policy or continue with the monitoring of the property.

Based on the information provided to RSA, I don't think it has done anything wrong when considering the claim as a potential subsidence claim. It has a report which said the damage could be the result of this resulting from softening soils and the later drainage report found issues with the drains which could be causing this. RSA asked for more information before it was able to make a decision on the claim and liability, but this information was not provided,

and the claim was placed on hold. This was a reasonable step to take and I don't think it acted unfairly when doing this.

When information has been received by RSA after this point, including the surveyors report provided by Ms G, it has reconsidered the claim and this is fair and reasonable. But the cost of this survey and whether this should be refunded to Ms G, or whether the recording of the claim now is fair and reasonable is not the subject of this complaint as these are actions that have taken place after the events considered here.

### *Claim handling and service*

It isn't in dispute that things have gone wrong with the handling of this claim and the customer service. Ms G has needed to chase for things to happen and not received information when she should have done because of errors with her information being recorded correctly and this has added to delays in her understanding how the claim was being considered by RSA.

Our investigator said they felt the £300 offered by RSA in recognition of these errors was not fair and reasonable. They recommended this be increased by a further £150 by RSA and this was accepted by the business.

When looking at awards for distress and inconvenience, consideration is given to the inconvenience which goes beyond what is reasonable to expect when making a claim. This is because there is always a level of inconvenience expected when needing to put things right.

In this case, while Ms G may have always needed to be at home on the day of the drainage inspection, not informing her of this until the morning was unreasonable and added distress to this situation which could have been avoided. I think recognising the impact of this is important.

Equally, after being told monitoring of the wall will take place and then not hearing anything for a number of weeks causes frustration and delays to the claim. And this coupled with Ms G not knowing what RSA was monitoring for and its concerns about the damage meant Ms G was unable to look at providing other information sooner which might have impacted the claim outcome.

I think taking everything into account, I agree an award of £450 is fair and reasonable for the impact of these failings.

### **Putting things right**

For the reasons I've explained above, RSA should pay Ms G £450 in recognition of its failings with the handling of this claim and impact of these.

If RSA has already paid the £300 offered in its final response letter of July 2024, it need now only pay the additional £150.

### **My final decision**

For the reasons I've explained above, I uphold Ms G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 21 November 2024.

Thomas Brissenden  
**Ombudsman**