

## **The complaint**

Ms F and Mr J are unhappy with the way Royal & Sun Alliance Insurance Limited (“RSA”) handled their claim under their buildings and contents insurance policy.

The policy was held in joint names. For ease of reading, I’ll mainly refer to Mr J throughout my decision. Any reference to RSA should be taken to include agents acting on its behalf.

## **What happened**

The background to this complaint is well-known to both parties, so I’ve summarised what I think are the key events.

In April 2023, Mr J’s home was damaged by an escape of water from a neighbouring property. He claimed under his policy and RSA accepted the claim which included stripping out and replacing the kitchen. Unhappy with the progress of his claim, Mr J complained. RSA issued a final response on 16 October 2023 in which it offered compensation. Mr J’s complaint up to this date is not part of this investigation.

Mr J raised a further complaint in which he said he didn’t want to project manage the claim; he continued to experience delays, and although RSA paid the disturbance allowance, he didn’t think the compensation for its original oversight was enough.

On 4 September 2024, RSA issued a final response upholding Mr J’s complaint. It offered him £500 compensation broken down as follows:

- £100 for chasing and managing his own claim.
- £200 for delays caused by suppliers and in its responses to calls and emails.
- £100 for the mix-up regarding the kitchen installation.
- £100 for the oversight regarding the disturbance allowance.

However, Mr J didn’t think RSA’s offer was enough so he brought his complaint to us.

Our investigator thought the disturbance allowance RSA paid was reasonable. He identified around 12 weeks of avoidable delays and considered Mr J’s description of the impact on his wellbeing and that of Ms F. However, our investigator thought RSA’s total offer of £500 compensation was fair and reasonable in the circumstances.

Mr J didn’t agree. He said the delays were at least double that suggested by our investigator; he hadn’t contested the disturbance allowance, and he didn’t think it was appropriate to agree a lump sum for the individual items raised in his complaint and responded to by RSA.

Our investigator provided clarification of the points he addressed in his view but, because Mr J didn’t agree, the complaint was 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 decided not to uphold Ms F's and Mr J's complaint for broadly the same reasons as our investigator. To be clear, that doesn't mean I think RSA hasn't done anything wrong – it simply means I think its actions to put things right are fair and reasonable in the circumstances. I'll explain.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. In reaching my decision, I've considered the relevant law and regulator's rules, and, where evidence is incomplete, what I think is most likely to have happened given the available evidence and wider circumstances. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

There's no dispute about the claim itself, or that RSA didn't handle it as well or as promptly as it could've done. The key issue of complaint is that Mr J doesn't think RSA has offered sufficient compensation to address the full extent of delays and claim handling shortfalls.

From the outset, I must be clear that I'm not assigning an amount of compensation separately for each and every delay or service shortfall. That's because some delays are inevitable, and it's not unreasonable to think that there'd be some minor service shortfalls during a claim of this nature and length. For this reason, I'm considering the complaint Mr J made to RSA and its response as a whole.

Mr J said the delays were more like double that suggested by our investigator, which is why he doesn't think RSA's offer is enough. He asked for clarification of where the delays occurred.

I've considered Mr J's timeline of events alongside the account notes provided by RSA. There are gaps in the events shown in Mr J's timeline which indicate delays, but the evidence doesn't persuade me that all delays were avoidable. For example, there was a delay while Mr J chose his replacement kitchen, and a further delay for the ordering time required. But it's clear from both accounts that a significant number of delays could've been avoided.

I don't think it's reasonable to add up every day of delay, such as those where calls were missed or messages left for return calls on both sides. Instead, I've looked at the longer delays and the impact they had on the overall claim. It's clear that the kitchen replacement was the main cause of delay because there were disagreements about whether the full cost would be covered, whether Mr J needed to contribute towards replacement items, whether he had been guaranteed a full replacement, and whether the contractors had been made aware of his choices. This took up a large part of the months between May and July.

Neither Mr J nor RSA has specified where they consider all of the delays occurred. So, considering the overall evidence, I'm persuaded that the avoidable delays were around three to four months. This is broadly similar to the delays our investigator identified, so I don't think a change in outcome is warranted.

Mr J said RSA didn't respond to his calls and emails either promptly or at all on many occasions. The evidence supports this, and RSA agreed. Having considered this point, I'm satisfied that RSA fell short of the standard Mr J could reasonably have expected in respect of the communication during this period of the claim. The timeline and account notes show where communication failed, and it's evident that the failure contributed to the overall delays.

Disturbance allowance

I've noted that Mr J hasn't complained about the amount of disturbance allowance paid. Rather, his complaint is about RSA's oversight in making the payment. RSA agreed it had fallen short here and offered compensation.

I haven't seen anything in the evidence to indicate that Mr J told RSA he'd incurred additional costs while his claim was being handled, or that he was experiencing financial difficulty because of the extra costs incurred when he was without the use of his kitchen. But I think RSA was aware of the circumstances regarding use of the kitchen and it should've offered the allowance much sooner. On the face of it, I'm satisfied that RSA's acknowledgement and rectification of its oversight, along with compensation by way of apology, is enough to put matters right.

### Compensation

RSA offered £500 for the overall shortfalls. Mr J doesn't think it's enough, or that it should be rolled into one lump sum.

I've considered the overall events, the time over which they occurred, and the impact Mr J has described. The period I've considered is just under 11 months and I don't doubt that Ms F and Mr J experienced significant inconvenience and distress during that time. When deciding whether RSA's compensation offer was fair and reasonable, I've thought about more than just its actions.

Ms F and Mr J were unable to use their home as they would've done ordinarily, and they had to move into alternative accommodation while repairs were underway. These things would always have happened because of the water damage. Also, I think it's reasonable to conclude that the whole matter would've caused significant distress and inconvenience for Ms F and Mr J because the damage happened due to no fault of their own.

I can't hold RSA responsible for the whole of the impact that the claim had on Ms F and Mr J so, in turn, I can't reasonably expect RSA to pay for anything it didn't cause or contribute towards. I understand RSA's compensation offer will seem insufficient to Ms F and Mr J given the overall circumstances, but I'm satisfied that it's in line with our guidance, what I would've awarded if it hadn't made the offer, and that it's fair and reasonable for the reasons I've given.

As a final point, I've noted that Ms F and Mr J provided medical evidence in support of their complaint. The evidence is dated after the period I've considered here, so I make no finding on that evidence.

**My final decision**

For the reasons I've given here, I find that Royal & Sun Alliance Insurance Limited made a fair and reasonable offer to resolve Ms F's and Mr J's complaint. Therefore, my final decision is that I don't uphold their complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F and Mr J to accept or reject my decision before 14 February 2025.

Debra Vaughan  
**Ombudsman**