

## **The complaint**

Miss R complains Royal & Sun Alliance Insurance Limited (RSA) unfairly decided to end its cover for the costs for alternative accommodation at the end of October 2024, following a claim on her home insurance policy in March 2023.

RSA are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As RSA have accepted it is accountable for the actions of the intermediary, in my decision, any reference to RSA includes the actions of the intermediary.

## **What happened**

In March 2023 Miss R made a claim on her home insurance policy after a fire caused damage to her property.

RSA paid for alternative accommodation for Miss R after the incident. In July 2024 it told her it would only continue cover for alternative accommodation costs to the end of October 2024.

Because Miss R was not happy with RSA, she brought the complaint to our service.

Our investigator upheld the complaint. They looked into the case and said as they had limited information from RSA they did not think it had acted fairly and it should extend

Miss R's alternative accommodation, while she sources a new builder. They said RSA should pay £250 in compensation for the distress and inconvenience caused to her.

As RSA did not make a response to our investigator's view and Miss R is unhappy with the compensation recommendation in our investigator's view, the complaint has been brought to me for a final decision to be made.

## **What I provisionally said**

*It should be mentioned that Miss R has previously brought a complaint to our service regarding alternative accommodation costs relating to this claim. A view was issued by our service in August 2023 in which the investigator said they didn't feel it was fair to impose the alternative accommodation limit due to the delays. But they couldn't say RSA should have an open limit for providing accommodation as they didn't know how the claim would progress; but it should act positively going forward. RSA agreed to this view.*

*Miss R brought a new complaint to our service after RSA confirmed to her on 7 August 2024 it was to stop payments for alternative accommodation at the end of October 2024. In this case I will consider events after August 2023 and up to August 2024 when RSA informed her it would no longer cover costs for alternative accommodation after the end of October 2024.*

*In August 2023 I saw Miss R was working with a surveyor that she appointed herself. A building contractor was found through this surveyor. I saw evidence of Miss R liaising with this surveyor, over a period of several months, to agree the specification of the work to be completed in the quotes that had been obtained. I saw a number of amendments were made*

*to the specification of repairs at Miss R's request to meet her specific needs and requirements.*

*This surveyor worked with Miss R for a period of approximately six months, but at the end of December 2023 decided due to professional differences they were unable to project manage the work due to be undertaken. The building contractor who had provided the quote did not wish to continue without this surveyor being involved.*

*This meant that in January 2024 a new contractor had to be found. I saw RSA involved one of its approved contractors to provide an estimate. Miss R questioned the cleaning products used by this contractor and advised she had to make enquiries as to the suitability of these considering the health issues of herself and the other person who lived at the property. She then advised RSA that she was appointing her own contractors instead.*

*I saw Miss R obtained quotes from several other builders. One of which did not start the work due to it being too busy and another who failed to show up.*

*In March 2024, RSA agreed a cash settlement for the repairs to be provided by another building contractor found by Miss R. The work commenced in mid-March 2024.*

*In May 2024 I saw Miss R contacted RSA to say the works were approaching second fix stage. She said because the builder had carried out works not in line with the spec, she required a surveyor to oversee this work and to prevent errors and ensure efficiency. The builder stopped work in mid-May 2024. Approval for a surveyor was given by RSA at the start of June 2024 and payment was made for this service.*

*The builder did not return to the job leaving the work unfinished. I saw evidence of the new surveyor pursuing other tenders for the remaining work in June 2024.*

*I saw in early July 2024 RSA wrote to Miss R and told her it would pay three further months costs for alternative accommodation, but no further accommodation costs would be considered. Payment for the three months to cover up to the end October 2024 was made to Miss R at this time.*

*On 7 August 2024 RSA confirmed its decision to Miss R. It said it couldn't agree a further extension of alternative accommodation payments because the actions of Miss R's contractors are outside of its control. It said it had acted in line with the view given by our service in August 2023.*

*In this case RSA have paid the cost of alternative accommodation from the start of the claim in March 2023 up to the end of October 2024. A period of approximately 18 months.*

*I acknowledge this claim has been ongoing for some time and I recognise it must be stressful for Miss R not being in her own home for all this time. However, I have not seen evidence that persuade me that delays to the completion of the repairs to Miss R's property since August 2023 have been caused by RSA. I cannot fairly hold RSA responsible for the delays caused after Miss R chose to work with a surveyor and builders appointed by herself.*

*RSA has already provided alternative accommodation for a generous period of time to enable the repairs to Miss R's property to be completed. This is above the policy limit as it agreed to do in August 2023, and I think it has acted positively. I don't think RSA should have to continue to provide an open limit. Therefore, although I know Miss R will be disappointed I don't intend to uphold her complaint and don't intend to require RSA to continue to pay for alternative accommodation costs any further than 31 October 2024.*

## **Responses to my provisional decision**

*RSA responded and said it agreed with my provisional decision.*

*Miss R responded and said she respectfully disagreed with my provisional decision. In her comments relative to the merits of this complaint she said:*

- The delay in repairing her home cannot be attributed solely to her. RSA was directly responsible for several critical issues, including inadequate support, denying access to its list of approved contractors, pressure to accept a cash settlement. Separately she said the delays were entirely attributable to RSA's actions and omissions.*
- I referenced in August 2023 she was working with a surveyor and amendments were made to meet her specific requirements. She would like me to specify what amendments I was referring to.*
- My reference to her questioning the cleaning products used by an RSA contractor was outside the timeline of this complaint and therefore should not be leaned on.*
- Throughout the process, the range of available solutions offered by RSA were restricted, leaving her with no option at each stage other than to source builders herself.*
- My decision had not considered the impact of RSA's actions on her life. Including her health and wellbeing, the time she had taken to find alternative accommodation and the financial strain of costs for accommodation and health related expenses.*
- RSA had failed to meet the Financial Conduct Authority (FCA) obligations in several ways, including acting with integrity, treating customers fairly and ensuring claims are handled promptly and transparently. It had refused to provide adequate support and resources. In particular she was unfairly burdened with the responsibility of sourcing alternative accommodation.*
- She wanted a clear explanation of what evidence was considered in this case.*

## **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 considered Miss R's comments in response to my provisional decision, I won't be departing from my provisional findings – I'll explain why.

The evidence considered in this complaint was everything submitted to our organisation by both Miss R and RSA. This includes RSA's claim file which includes records of contact between Miss R and RSA, claim history notes, emails between Miss R and RSA, correspondence and the policy terms and conditions booklet.

I cannot be specific about what amendments were made to the specification of repairs because this specific information is not detailed. However, the specifics of any amendments are not what's key here - what is, is that Miss R and her appointed surveyor were in discussion with new contractors, and also RSA, about the schedule of repairs over a period of several months. This meant there was no progression with the schedule of repairs during this time. I am unable to hold RSA responsible for any delay during this time.

Cleaning products were referenced in RSA's claim notes in January 2024 but on review it's not clear exactly when this referred to. However the point in this case is that as Miss R wasn't happy with RSA's approved suppliers for many reasons, including the cleaning products used she decided to appoint her own contractors. And this meant a delay whilst she did this.

The evidence in this case shows RSA made reasonable efforts to progress Miss R's claim. Including providing its own contractors, allowing her to find her own contractors when she was not satisfied with those it had provided, and that it also made a cash settlement offer for the repairs. I am not persuaded the range of available solutions offered by RSA were restricted.

At the point RSA stopped paying for alternative accommodation at the end of 2024, it was more than 18 months after the incident. Even accounting for some progression issues on RSA's side, I'm still satisfied paying for 18 months alternative accommodation was reasonable in the circumstances of this claim and the scope of repairs required, particularly when under the terms of the policy, the limit had been reached. I'm not persuaded the length of time it's taken is because of RSA having caused avoidable delays.

Our role is to resolve individual complaints - we are not the regulator. I have determined Miss R's complaint based on the evidence I have been presented.

I have considered if RSA caused poor handling of the claim and avoidable delays in this case, but I have not seen that it has. Based on the evidence I've reviewed I'm satisfied RSA has covered the costs of alternative accommodation for a sufficient period of time that has covered any delays caused by itself. I do recognise as a result of the fire Miss R has gone through a great deal of distress which is very unfortunate, but this isn't RSA's fault.

I sympathise with the difficult situation Miss R has found herself in and that she has said this has impacted her health and wellbeing. I don't doubt how upsetting the fire and damage caused has been for her. However, based on the evidence I'm satisfied RSA fairly decided to end its cover for the costs for alternative accommodation at the end of October 2024. I maintain my provisional decision and I don't uphold Miss R's complaint.

### **My final decision**

For the reasons I have given, I don't uphold Miss R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 10 February 2025.

Sally-Ann Harding  
**Ombudsman**