

## **The complaint**

Mrs F complains that Royal & Sun Alliance Insurance Limited (RSA) has unfairly handled a claim made on her building's insurance for subsidence.

She feels the claim has not been progressed as quickly as it could have been with RSA delaying its authorisation for a repair scheme. Mrs F is concerned that RSA is not appointing suitably qualified professionals to deal with the claim.

## **What happened**

Mrs F first notified RSA of concerns with her property and a potential subsidence claim in late November 2020. The claim has been ongoing since this point with a long timeline of events. This is known and understood by both sides, so I've focused on my outcome over setting this timeline out in detail.

RSA looked into Mrs F's concerns about how the claim has been handled and the delay in authorising the repair works now needed and the general handling of the claim. It explained why complaints of this nature can be complex and often do take a long time to be brought to a conclusion. The claim is now at the repair stage and it appoints consultants who may not be surveyors but are all suitably qualified with a specialism in subsidence.

It recognised the communication and customer service could have been better and it was sorry for the shortfalls here. But the additional monitoring was now needed to ensure the repair it completes is correct and long lasting. It made an award of £500 to Mrs F.

Our investigator looked at this complaint and didn't think RSA had done enough to reflect the delays added to the claim journey which could have been avoided. They said as well as the time added, the service during the claim process had resulted in additional inconvenience and this has added to the distress of the overall claim.

They didn't think the award of £500 was fair for this or in line with what this Service would recommend. They accepted it was right that further monitoring was now needed and that RSA was entitled to appoint its own contractors who it feels are suitably qualified. If Mrs F wanted to appoint her own surveyor to review what RSA said needed to happen after the monitoring is complete, she is able to do this at her own cost. And we would only expect RSA to reimburse her for this if the report highlighted failings in the scheme proposed by RSA which led to a change in its approach.

The investigator felt there was avoidable delays during the claim handling process with poor service as Mrs F needed to chase for updates with calls not always being returned. And they felt RSA missed opportunities to explore other reasons for the subsidence and this meant the claim has continued for longer than it should have. To put things right, they asked RSA to pay £1500 in total, with an additional payment of £1000.

RSA disagreed with the outcome. It felt the complaint was specifically about the delay in it authorising the repair scheme and not about the general handling of the claim. And it had fairly addressed this.

It also said it didn't think it had added any substantial delays to the process. It said there was no indication it should have been aware of a potential issue with the local water company until the winter of 2022 when Mrs F notified it of higher water meter readings. Between late 2021 to summer 2023, inclusive of the winter of 2022, the monitoring of the property showed stable levels with minimal movement. So, it didn't think it would have been aware of an issue here.

RSA also highlighted a previous complaint had been raised with a final response issued in October 2022. Any issues with service had been dealt with up until this point could not be considered with this later complaint as Mrs F didn't bring the complaint to this Service within six months of the final response letter. So, the investigator could only consider the impact of anything after 26 October 2022 until the final response was issued on 20 June 2024.

Overall, it didn't think it was fair to expect it to increase its award for distress and inconvenience to £1500.

Our investigator said the complaint was about both the general handling of the claim and delay in the repair scheme being agreed. They were satisfied RSA had the opportunity to consider this before and it was reasonable for her to look at everything complained about. When considering this all, they maintained that their award was fair and inline with what this Service would expect for a complaint of this nature.

RSA still felt the increase was unreasonable and asked that the complaint be referred for 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. I know RSA will be disappointed by this and it feels it has made a fair award, but I'll explain why I think it needs to do more.

The complaint is about two issues, the overall handling of the claim and the delay in RSA confirming the repair scheme it feels is now needed. RSA doesn't think both elements were part of the complaint it considered, but it summarised the complaint issue within its June 2024 final response as:

*"I've been looking into the delay with authorising the ground stabilisation scheme. You also remain unhappy with the general handling of your claim."*

So I am satisfied RSA was aware of Mrs F's concerns and it is fair and reasonable that I think about the general handling of the claim as well as the delay in the stabilisation scheme being agreed.

It has been said by RSA and our investigator, that claims of this nature will often take along time to resolve and this is true. So the fact that this claim has continued on for five years without completion yet, isn't in itself evidence of failings with RSA. And by the nature of this timeframe and the impact on Mrs F, there will be considerable distress and inconvenience, even if everything happens as it should with no issues along the way.

It is clear from the claim notes that Mrs F has been concerned about the stability of her property and despite what the monitoring reports have shown, with minimal movement, damaged has continued to happen or get worse. This was part of the concerns she raised in 2022 when she wanted to understand why her property was said to be stable. I cannot

consider what happened prior to this when thinking about this complaint, but I think it is helpful context to add in, when highlighting the distress Mrs F was experiencing with the matter.

The claim notes show during the claim, Mrs F is chasing RSA for updates and information on the claim. Calls are not always returned and it is clear, at times, the service hasn't been at a level that it is fair to expect. This at a time when Mrs F just wants some clarity on what is happening and why, has understandably added to the distress of the situation. While these are minimal failings, the number and period of time in which this has been experienced does increase the impact.

There have been periods of time where the claim has not been progressed as quickly as it could have been. Reports issued haven't been acted on immediately and this means delays have been added to work being completed. An example of this is the site investigation not being booked in until 3 months after it was advised this would happen in May 2023. As with the service issues above, no delay is significant, but when looked at against the backdrop of the claim journey, it has added to the distress Mrs F has faced.

As a service, we would make an award of up to £1500 if the impact of a business mistakes has caused substantial distress, upset and worry. During the claim, Mrs F has demonstrated the substantial distress and upset she has experienced as the claim as continued on. At times this has been without updates and delays have been built in as things haven't been progressed as quickly as they could have been, with Mrs F's chasing being the reason why it did progress.

I think it is fair this is considered and the award recognises this impact over the two year period. I agree increasing the total award to £1500 is inline with our approach and it is fair to ask RSA to pay Mrs F an additional £1000.

However, as our investigator has said, it is right that RSA confirms whether the works completed on the mains water pipes have impacted the stabilisation of the property and this needs to be understood before a schedule of repair can be produced. It will then need to ensure the scheme it recommends provides an effective and lasting repair to the property.

I understand why, with the time and continued damage to her property that Mrs F says she has witnessed, that she feels work should already have commenced. And why she wants a structural engineer appointed to confirm the scheme and stability of her property. But RSA is entitled to handle the claim as it chooses and appoint the experts it feels are qualified to complete the works needed. If Mrs F wants to appoint her own structural engineer to review what is proposed, this is something she can do. But I wouldn't expect RSA to cover this cost unless it demonstrates a failing with the work recommended.

Overall, I think it is clear RSA and its agents have added to the distress and inconvenience of this situation. This has resulted in a substantial impact on Mrs F with the distress going beyond what would be reasonable to expect, with avoidable delays meaning her concerns about the property and continued damage have gone unanswered for longer than they could have. It is right RSA acknowledges this and while I appreciate it feels it did, it needs to go further to put things right.

### **Putting things right**

RSA needs to pay Mrs F an additional £1000 for the impact of its claim handling and how this has delayed the overall claim.

**My final decision**

For the reasons I've explained above, I uphold Mrs F's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 2 April 2025.

Thomas Brissenden  
**Ombudsman**