

The complaint

Mrs P has complained about the way a claim was handled by Royal & Sun Alliance Insurance Limited (RSA). Mrs P is the lead complainant for a home insurance policy she shares jointly with Mr P and Mrs P(2).

All reference to the insurer RSA in my decision includes agents acting on its behalf for the purposes of the claim.

What happened

In January 2023 Mrs P made a claim to the insurer, RSA for damage caused by an escape of water from a flat above the flat where her brother was living. Mrs P and the other policyholders live abroad.

Mrs P complained that RSA wouldn't cover all of the claim costs.

RSA didn't uphold her complaint. So Mrs P asked us to look at her complaint.

One of our Investigators didn't recommend the complaint should be upheld. He found RSA had properly considered the claim and the settlement it made was in line with the policy.

Mrs P doesn't agree and wants an ombudsman to decide. In summary she says the policy isn't fit for purpose and her complaint hasn't been properly addressed.

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.

We are able to look at the complaints Mrs P brought to RSA, which it responded to on 9 February 2024. RSA gave Mrs P six months from the date of their response to bring this complaint to us, which Mrs P did on 9 August 2024. I can see that Mrs P raised new issues to us which haven't been considered by either RSA or the broker who sold the policy.

I understand Mrs P doesn't agree with the Investigator's setting out of our remit. But he is correct to explain that we can investigate complaints that have been brought to a business regulated by the Financial Conduct Authority and where it has responded – or eight weeks later if no response has been received. In line with the FCA rules, a business requires the opportunity to respond to a complaint a customer raises before any involvement by this service.

Mrs P has asked us to look at complaints about the sale of the policy, how clear the policy wording is, and that the policy is not fit for purpose. Mrs P believes we should include these complaints within our investigation. But as the Investigator explained, we can look at the complaint raised against the insurer about its handling of the claim. Mrs P will need to raise a separate complaint with the broker who sold the policy about the sale of the policy.

Mrs P submitted two estimates for remedial repairs to the flat. RSA approved the lower estimate at £950 including VAT. After deducting the excess, the settlement RSA offered was £750.

Mrs P wanted RSA to cover the costs to clear the flat, and to return stored items to a new permanent residence for their brother, as he had moved out. Mrs P said her sister and the

relative she was caring for had to travel from abroad to the UK to assist in clearing the flat. Mrs P's claim included the airline costs for both, and postage costs for returning contents from the flat to their address abroad.

Mrs P says her brother had no option but to move out as this was necessary in order to carry out the repairs. And that any claim costs should be recovered by RSA from the representative for the flat above - as they are responsible for the damage caused. So she believes RSA should meet the additional costs she is claiming for.

I've looked at the estimate for the remedial repairs to the flat. The contractor gave a timeframe of 3-4 days to complete the works. If the tenant – Mrs P's brother – was required to leave the flat as it was uninhabitable while the works took place – I would usually expect an insurer to arrange alternative accommodation for – in this case – up to 4 days. And if necessary, for storage of contents during this period to be returned to the insured address where the incident occurred.

But Mrs P's brother had moved to a different permanent address and Mrs P wanted his contents to be forwarded to that address, and for her contents that had been left in the flat to be forwarded to her address abroad. These circumstances don't fall under the scope of cover. The policy provides cover to indemnify losses directly related to the claim. For the same reasons, the costs of airline travel for relatives to oversee the clearing of the flat of its contents are not covered.

So I think RSA's settling of the claim by paying the remedial repair costs of £950 (minus the excess) is reasonable and in line with the policy.

I can appreciate that having to deal with the claim – particularly while living abroad – can cause some additional inconvenience. However, I think it's inevitable that having to deal with any claim will cause some disruption to daily life. I haven't seen anything to show that RSA acted unreasonably when dealing with the claim. It contacted the third party representative with the intention of recovering the accepted claim costs. As the Investigator explained, we can only look at issues up until the date RSA responded to the complaint, so 9 February 2024.

This means I'm not asking RSA to do any more.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P, Mr P and Mrs P to accept or reject my decision before 12 May 2025.

Geraldine Newbold
Ombudsman