

## **The complaint**

Mr L complains Soteria Insurance Limited (“Soteria”) delayed settling his claim for subsidence on his property insurance policy which impacted the cost of his insurance premiums going forward. He also says Soteria failed to respond to his complaints.

All references to Soteria include its agents.

Mr L has a number of complaints with our Service relating to, for example, the service provided by Soteria, delays and the scope of the repair works under the claim. But this decision is about the above issues only.

## **What happened**

Mr L took out a property insurance policy covering his buildings and contents in October 2018. Around September 2019, Mr L made a claim on his policy for subsidence. The claim was accepted and around June 2020, a neighbour’s tree which had been found to be causing the movement, was removed. But the claim was ongoing until September 2024 when Soteria settled it by making a cash payment to Mr L to cover the outstanding works.

Mr L proposed this cash payment in September 2024 as part of a complaint he raised with Soteria. He’s unhappy as he doesn’t think Soteria responded to that complaint with a final response letter (“FRL”). So he’s asked us to look into how it’s handled his complaint.

Although Soteria covered the claim, the underwriter of Mr L’s policy changed in 2020 to another insurer, I’ll call them “A”. Mr L has continued to renew his policy with A since then as he says he’s been unable to take out insurance elsewhere due to the open claim with Soteria. He says this has meant he’s not had access to cheaper policies and the price of his policy renewals with A have increased every year. Mr L has a separate complaint about that against A. But he says Soteria is responsible for keeping the claim open for longer than it needed to which he feels was the cause of his premiums increasing. So he thinks Soteria should pay the difference between what he has paid for his property insurance since 2020 and what he should’ve paid if the claim had been settled promptly.

Mr L has given our Service his calculations of what the policy premiums should’ve cost him based on his research of information provided by, for example, the Association of British Insurers (“ABI”) and quotes provided by price comparison websites. He says, in total, he thinks he’s been charged around £1,200 more than he should’ve been. Mr L made a complaint about this to Soteria around December 2024. But he didn’t receive a response so he asked our Service to consider it as part of this complaint.

Our Investigator didn't uphold Mr L's complaint. She said in summary she was satisfied Soteria had responded appropriately to Mr L's complaint of September 2024. She accepted it hadn't responded to his complaint raised in December 2024 but highlighted that it had issued an apology to our Service in response. In any event, she didn't think there was enough evidence Mr L had been charged more for his insurance renewals with A due to the delays Soteria had caused to settling his claim. And she didn't think Mr L had provided enough evidence to show he'd been financially disadvantaged. As the complaint wasn't resolved at that stage, it 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.

I can see Mr L has spent a great deal of time collating and providing information to support his complaint and I know how important his claim and his complaint have been to him for a very long time. So I thank him for taking the time to provide the comprehensive information he has.

I've summarised this complaint and I've done so using my own words. I'm not going to respond to every single point made by the parties involved. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this and it reflects the informal nature of our service.

If there's something I've not mentioned, it isn't because I haven't thought about it; I've given careful consideration to all of the submissions made before arriving at my decision. Having done so, I don't uphold this complaint for broadly the same reasons as our Investigator. I know Mr L will be very disappointed. I'll explain why.

#### *Impact of delays on the price of renewals*

It's not in dispute in this case that Soteria has caused delays to settling Mr L's claim. And because of this, Mr L says the claim has been open for longer than needed which has impacted the cost of his policy renewals since 2020 and his ability to shop around. So he thinks Soteria should refund him the difference between what he has paid and what he thinks he would've paid for insurance if the claim wasn't open. He's given us calculations and screenshots of quotes he's obtained through price comparison websites to support what he's said. But I'm not persuaded by the information I've seen that Mr L has been unfairly impacted in the way he says he has.

It's been widely publicised over recent years that the price of insurance has increased significantly due to claims inflation and other relevant factors. We also take into account data from the Association of British Insurers (which I know Mr L looked at), as well as the Office of National Statistics – and this shows prices have been increasing. So it's not unusual to see the cost of Mr L's insurance policy renewals have gone up in this case.

I appreciate Mr L's given us information to support his view that his policy price has increased disproportionately. And he thinks the claim being open for longer than it should've been, was the cause of this. But his current insurer – A – has given us information to show the open claim hasn't impacted his policy premiums. And whilst I'm not deciding in this case whether A has fairly priced Mr L's policy, I've considered this information when deciding whether Soteria's actions have resulted in Mr L being financially worse off. And I don't think they have. Nothing Mr L has given us makes me think this information provided by A is wrong. So I can't say the delays to the claim have impacted the cost of Mr L's premiums.

Mr L has taken the time to work out what he thinks would be a fair price for his insurance policy based on his current circumstances, his property history and general market rises. But businesses calculate the price of policies based on the risk presented and that can change year on year. So it's not unusual or uncommon for prices to increase – even if the policyholder's circumstances have stayed the same, or, as Mr L thinks, become less of a risk factor. And it's not unusual for a previous claim to impact this. So, I haven't seen anything in this case to make me think Soteria's actions on Mr L's claim have unfairly impacted the price of his policy or that his calculations represent the correct price of the policy.

Mr L's said he hasn't been able to get insurance elsewhere at a better price because of the open claim. He's given us screenshots of quotes he'd received, for example through price comparison websites to show this. But we've not seen any of the information he input to get these quotes. So this doesn't change anything in this case.

### *Complaint handling*

Mr L says Soteria failed to issue an FRL in response to his complaint made in September 2024 and this caused him a great deal of distress. He considers Soteria was being obstructive by not replying. But Soteria has given us a copy of an FRL dated 4 December 2024 which it says was in response to that complaint. The FRL is addressed to Mr L at the address he gave our Service and I understand our Investigator has since provided a copy of it to him. So I'm satisfied it was sent – albeit late.

In any event, the crux of Mr L's complaint made in September 2024 was about the cash settlement of his claim. And within around a month of that complaint, I understand the claim was settled. So even if Mr L didn't receive Soteria's reply, I don't think it changes the outcome of this case as I'm satisfied things were moving forward either way.

I understand Soteria didn't respond to Mr L's more recent complaint made in December 2024 about the impact of the open claim on his policy premiums. Soteria sent us an apology for not having responded to this complaint in time. Whilst I appreciate the disappointment Mr L has explained he felt by not having received a response to this complaint, I haven't seen anything to make me think it was trying to obstruct Mr L's complaints. And considering Mr L referred his complaint to our Service around the same time Soteria's time limit to reply would've been up, I don't think he's lost out as a result of Soteria not responding. So I don't consider Soteria needs to do anything more to make up for this.

### **My final decision**

It's my decision that I don't uphold Mr L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 28 October 2025.

Nadya Neve  
**Ombudsman**