

The complaint

Mr W and Ms B complain about how Royal & Sun Alliance Insurance Limited ("RSA") handled a claim they made under their home insurance policy.

Mr W and Ms B are joint policyholders. As most of the communication relating to the complaint has been from Mr W, I'll refer mainly to him in my decision.

RSA is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agents. As RSA has accepted it is accountable for the actions of the agents, in my decision, any reference to RSA includes the actions of the agents.

What happened

In September 2021, Mr W and Ms B made a claim under their home insurance policy with RSA after discovering damp in their basement. RSA appointed agents to trace the leak and carry out drying work. RSA appointed another agent to manage the claim.

Reinstatement works were due to start at the beginning of April 2022, but another ingress of water was discovered. The first leak was coming from the wet room, but the new ingress of water was coming from outside of the property. Mr W arranged for private works to be carried out to fix damaged drainage.

Mr W said he would prefer for tanking work to be carried out by the contractor who originally installed it, rather than a contractor appointed by RSA's agents. This was partly because the contractor had agreed to guarantee the work for 25 years. RSA agreed for Mr W's chosen contractor to carry out the tanking work and this was completed in September 2022. Further repair work was carried out in late 2022 and early 2023 and this was completed in March.

Mr W raised a complaint with RSA about the handling of his claim. He was unhappy that it had taken almost 18 months for the repairs to be completed. He felt there was a lack of management and coordination of the works. He said a great deal had fallen to him in terms of communicating to tradespeople and it was left to him to organise much of the work.

RSA said the claim had been relatively complex, but it accepted responsibility for some delay in getting the repairs completed. It also acknowledged that Mr W had to do a lot of chasing to drive the claim and it felt its contractors should have been more proactive. It noted that contractors had caused further damage and had not responded or attended as promised. It paid Mr W and Ms B £750 compensation for distress and inconvenience.

Mr W remained unhappy and asked our service to consider his concerns.

Our investigator didn't think the complaint should be upheld. She acknowledged that there had been avoidable delays and felt that communication and management of the claim could have been better. However, she felt the £750 RSA had paid Mr W and Ms B was reasonable. So, she didn't think it needed to do anything further.

Mr W disagreed with our investigator's outcome. He said he'd spent a lot of time phoning and leaving messages with no or a very late response. He diagnosed the problem with the

water ingress himself after buying an endoscope and spending a lot of time adding tracing dye to drains. He felt that RSA's own claims manager was efficient and quick to respond but the agent dealing with the claim was obstructive and very poor at communication. He didn't think RSA's compensation payment was adequate, given the impact on his mental and physical health. So, the complaint has been 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 Mr W and Ms B's complaint. I'll explain why.

I've considered everything Mr W has told our service, but I'll be keeping my findings to what I believe to be the crux of his complaint. I wish to reassure Mr W I've read and considered everything he has sent in, but if I haven't mentioned a particular point or piece of evidence, it isn't because I haven't seen it or thought about it. It's just that I don't feel I need to reference it to explain my decision. This isn't intended as a discourtesy and is a reflection of the informal nature of our service.

RSA has accepted responsibility for some avoidable delay in dealing with the claim as well as poor service and communication. So, I've needed to consider if the £750 it's paid Mr W and Ms B is enough to put things right.

The relevant industry rules require insurers to handle claims promptly and fairly. RSA says the claim was a complex situation, and it would be reasonable to expect it to have taken around a year to complete. It believes it's responsible for around six months delay.

I think RSA is responsible for some delay and poor communication near the beginning of the claim. For example, it instructed two agents to carry out trace and access and drying works and the claims manager has noted there was no reason for this. RSA also says the claim wasn't assigned to the right team at first. I can see that works didn't start when Mr W expected them to. And various tradespeople arrived without Mr W being informed they were coming.

Mr W says he and Ms B were left without heating in the winter months. I can see Mr W informed RSA that there was an issue with his boiler in February 2022. He said he was concerned that the boiler had been damaged because the heating was on when a release of water occurred.

RSA said it would be happy for Mr W to arrange a gas engineer to inspect and rectify the issue and send it an invoice. It also gave him the option of getting the contractors responsible for the repair work to arrange for an engineer. However, Mr W said he'd managed to get the boiler working on and off and had decided to get it replaced. I haven't seen sufficient evidence to show that RSA was responsible for damaging Mr W's boiler. But in any event, I think it took reasonable steps to try to resolve the issue.

I can see that RSA's contractors initially arranged for a sub-contractor to do the tanking work. This was due to start on 1 April 2022, after being arranged about six weeks earlier. According to RSA's agents, the works couldn't be scheduled for an earlier date because tanking specialists were very busy at that time.

Unfortunately, this work couldn't be carried out as planned because the second escape of water was found. I appreciate this was frustrating for Mr W, who had to arrange for drainage repairs to be carried out. However, there's nothing to show that RSA should have found this

second leak during the initial trace and access. I appreciate Mr W experienced the inconvenience of arranging the repairs. But I understand these weren't covered by the policy.

Mr W has complained that he also had to organise the wet room installation and tiling, replacement of the cavity drain membrane and flooring. However, from what I can see, Mr W wanted his preferred contractors to carry out these works. While I understand he had his reasons for doing so, I think it's likely this also contributed to some of the delay in the works being carried out as quotes needed to be authorised. There were also some small delays in the progress of the claim at various points because Mr W and Ms B were away on holidays.

There were times in the claim that things didn't progress as quickly as they should have done. I understand Mr W spent a lot of time chasing things up by email and over the phone. RSA has acknowledged that negotiations over the schedule of works were slow, costs took too long to agree, and later stages of repair took too long.

However, it's noted in the survey report from November 2021 that it was to be a complex repair. There was the added complication of the second escape of water event that needed to be dealt with before tanking and the other repairs could be carried out. Taking into account this and other delays that were outside the control of RSA and its agents, I think it's reasonable to say RSA is responsible for delaying the claim by around six months.

I appreciate Mr W has found the situation stressful and he's put a lot of time and effort into moving the claim forward. I also understand there has been a lot of disruption and the basement was out of use for a long period of time. However, RSA has paid Mr W and Ms B £750. And this is at the higher end of what we'd expect a business to pay for mistakes that have caused significant inconvenience and disruption that needs a lot of extra effort to sort out. While I understand this will be disappointing for them, I think the compensation RSA has already paid them fairly recognises the distress and inconvenience it's responsible for. So, I don't require it to do anything further.

My final decision

For the reasons I've explained, I don't uphold Mr W and Ms B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B and Mr W to accept or reject my decision before 14 February 2024.

Anne Muscroft
Ombudsman