

The complaint

Mr O is unhappy with the settlement offered by Royal & Sun Alliance Insurance Limited trading as More Than ("RSA") following a claim he made under his home insurance policy. He has also complained about the service he received.

What happened

The details of this complaint are well known to both parties, so I won't repeat them here. In summary Mr O made a claim under his policy when a car was driven into his front wall. He was unhappy with RSA's response to his claim.

Our investigator found that the settlement offered by RSA was fair. Mr O appealed.

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.

Firstly, I'm aware I've summarised the background to this complaint. No discourtesy is intended by this. Instead, I've focused on what I find are the key issues here. Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I've fully reviewed the complete file.

Having done so I agree with the conclusions reached by the investigator for these reasons:

- The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the law; the terms of the insurance contract; and the available evidence, to decide whether I think RSA handled Mr O's claim fairly.
- RSA admitted Mr O's claim under the policy, which provides that it will only pay for the for the damaged part of a building. It says that the evidence shows the wall was in poor condition before the incident. That said, it needs to achieve an effective and lasting repair. Accordingly I've carefully considered all the evidence in order to ascertain if this standard can be met by RSA's proposal.
- The report RSA commissioned by its surveyor (I'll call B) showed visible cracking on the face of the wall, with no lateral displacement. RSA proposed removing and replacing these bricks. To achieve the best possible match it suggested either using reclaimed bricks or tinting the bricks. B suggested reclaimed bricks are widely available and RSA is willing to pay for these. I note from Mr O's builder's quote that reclaimed bricks are more expensive. I think it's reasonable that they are sourced and used so that a match can be achieved. Mr O was concerned any mis-match would affect the value of his property. I do understand his concern. However it seems that it will be possible to repair the wall without their being a noticeable mis-match.

But in any event a loss in value resulting from repairs is excluded from Mr O's policy.

- I have not disregarded Mr O's builder's evidence who feels that this would be a 'patch up job' and would not be a like for like repair. B has confirmed that the patch repair would be a lasting repair and wouldn't affect the integrity of the wall. I have considered the quotes that Mr O has provided but I'm not persuaded on the evidence I have seen that in order to repair the wall it is necessary to demolish it completely and build a new wall. RSA is liable for the damaged section of the wall and I'm satisfied that its proposal to take down and re-build the damaged part of the wall only is reasonable in the circumstances.
- Because of the passage of time B has submitted a new Scope of Works. It says that the Scope of Works is an assessment of work required to restore Mr O's wall back to its pre-loss condition. I note that Mr O is unhappy with the Scope and feels it has been underestimated to calculate a cash settlement using preferential rates which would not fully indemnify him. I'm not persuaded that is correct. However his policy provides *'Where we can offer repair or replacement through a preferred supplier, but instead you request and we agree to pay a cash settlement, then the amount will not normally exceed what we would have paid our preferred supplier'*. RSA has agreed to make a cash settlement but if Mr O would prefer it can instead carry out the repair. Mr O should advise RSA how he wishes to proceed.
- Mr O was concerned that RSA had refused to accept the advice of his builders and preferred to base their settlement on a Scope suggested by a claims handler rather than a qualified builder or surveyor. I'm satisfied that this is incorrect. B is fully qualified and has decades of experience in the industry.
- RSA admitted that there had been delays in responding to Mr O and that it didn't originally explain to him the options regarding matching the bricks. It offered £75 in compensation. I can see the delays would have been frustrating, but overall I find this offer of compensation was fair.
- I'm sorry that my decision doesn't bring Mr O more welcome news. But for the reasons given I don't find that RSA have treated him unfairly or contrary to his policy terms.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 15 September 2023.

Lindsey Woloski
Ombudsman