

## The complaint

Mr B and Miss H's complaint is about the handling of a claim for subsidence under their home insurance policy with Soteria Insurance Limited.

## What happened

Mr B and Miss H contacted Soteria in October 2018, as they had noticed cracks appearing in their property. Soteria accepted the claim and appointed loss adjusters to investigate the cause and monitor the movement. The loss adjusters determined that the movement to the property was being caused by tree roots situated in land nearby. I understand various trees have been removed and some other work has been done to try and stabilise Mr B and Miss H's property.

In 2023, it was finally agreed that work on the superstructure of the house could start. Mr B and Miss H moved into alternative accommodation in August 2023, so the works could begin.

Mr B and Miss H have been frustrated by the progress of the claim and have made several complaints. This decision addresses the issues which occurred between 12 July 2022 and 5 September 2023. Soteria issued final response letters to complaints made about that period in February, May, July and September 2023.

Soteria acknowledged there had been unnecessary delays in its loss adjusters taking agreed actions and poor communication with Mr B and Miss H. Soteria paid compensation for these issues of £400 in February 2023, £300 in May 2023, £150 in July 2023.

The complaint which Soteria addressed in a letter of 5 September 2023, related mainly to issues with preparing to move to the alternative accommodation. Mr B and Miss H said there was delay in providing them with moving boxes and in the end they had to get them themselves. They were also unhappy that they were not told that they would have to pay the deposit for the rental property. Mr B and Miss H also raised concern that their claim had been moved to a different claims-handler, as they were concerned about delays; and with the way phone calls they had with two representatives of Soteria were conducted.

Soteria apologised regarding the delay with the moving boxes and about the conduct of one of the calls in particular, which it agreed had not been appropriately handled. Soteria said the change of claims-handler was warranted and it had been allocated to someone with experience in its "*large loss*" team which would mean it will be dealt with as efficiently as possible.

Soteria also said that it is normal practice for the policyholder to be responsible for the rental deposit but acknowledged that Mr B and Miss H had not been made aware of this before signing the lease. It therefore agreed that it would not ask them for the deposit but they would be liable for any shortfall if the full deposit was not returned by the landlord. Soteria offered £200 compensation for these matters.

Overall therefore, Soteria has offered compensation of £1,050 for the issues that have arisen from July 2022 to 5 September 2023.

Mr B and Miss H remain unhappy with Soteria's response and brought their complaints to this service. They say the matter has gone four years over the target date they were given for completion of the work. They have endured considerable inconvenience, including loss of work, and time involved in endless emails and phone calls; and they have had to put off extending their family, as their house is too small but they cannot move until the damage to the property is resolved.

One of our Investigators looked into the matter. She took account of the fact that the failings since July 2022 had been compounded by previous issues. The Investigator therefore recommended that the complaint be upheld and an additional £250 compensation be paid for the trouble caused to Mr B and Miss H in the period between 22 July 2022 and 5 September 2023 (so a total of £1,300).

Mr B and Miss H accepted the Investigator's assessment even though they consider the compensation proposed is low, given the stress they've been caused.

Soteria does not accept the Investigator's assessment. It says the amount it already offered was fair and reasonable.

As the Investigator was unable to resolve the complaint, it has been passed to me.

Since this complaint has been with us, Mr B and Miss H have raised another complaint about arrangements while in alternative accommodation. Soteria issued a final response to that complaint in October 2023. That complaint is being dealt with separately and I will not address it in this 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.

Subsidence, or other ground / building movement claims can take a very long time to resolve. Monitoring and stabilising the property and removing the cause of the movement all takes time and has to be done before repair of the property can begin. It is understandably a frustrating and stressful time for the policyholder. But, it is clear to me that there have been avoidable and unnecessary delays in this claim since July 2022.

Mr B and Miss H consider that the compensation recommended by the Investigator was not enough, given the effect of this matter on their lives. I can understand their frustration but as stated such claims do take a very long time and cause significant inconvenience. This claim has also been complicated because the trees causing the damage to their property are on land apparently rented by the local authority. I can only award compensation for the impact of any wrongdoing by Soteria.

Soteria has acknowledged and accepted the delays, which include two/three months delay in digging a trial pit and two months at least with no action at all, among other things. Soteria has also acknowledged that there was delay in providing moving boxes and poor lack of communication and one phone call handled inappropriately. As these issues have been accepted and are not disputed, I do not need to go into every issue. It is agreed that there was unnecessary delay of several months. It remains for me to determine what I think is fair and reasonable compensation for this and the other issues raised.

I agree with the Investigator that the fact Mr B and Miss H have had to complain several times about similar issues has a compounding effect. The distress and inconvenience

caused to them by each subsequent failing is compounded by the long-running nature of the claim and the fact they have experienced the same issues previously.

Having considered everything carefully, I agree with the Investigator that an additional £250 is warranted (so total compensation of £1,300) to reflect the delays, poor communication failings in this claim for the period July 2022 to September 2023. If Soteria has already paid any of the amounts already offered, it only needs to now pay that balance.

### **My final decision**

I uphold this complaint against Soteria Insurance Limited and require it to pay Mr B and Miss H the total sum of £1,300 compensation for the distress and inconvenience caused to them by its handling of this claim from July 2022 to September 2023. If any of that compensation has already been paid, it only needs to pay the remaining balance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Miss H to accept or reject my decision before 30 January 2024.

Harriet McCarthy  
**Ombudsman**