

## **The complaint**

Miss C and Mr D have complained about how Royal & Sun Alliance Insurance Limited (RSA) dealt with a claim under a home insurance policy.

References to RSA include companies acting on its behalf.

## **What happened**

Miss C and Mr D contacted RSA to make a claim following an escape of water at their home. RSA accepted the claim. Miss C and Mr D later complained to RSA. They said there had been little progress on the claim and they were concerned their home was still wet, which was causing further damage.

When RSA replied, it said it would feed back to the company handling the claim about leaving Miss C and Mr D with wet contents and its poor communication. It offered £250 compensation as an apology.

Miss C and Mr D complained to this service. Our investigator upheld the complaint. He said there had been avoidable delays that caused Miss C and Mr D distress and inconvenience. He said RSA should pay Miss C and Mr D a total of £500 compensation, which included the £250 previously offered, to recognise this.

As Miss C and Mr D didn't agree this was enough compensation, the complaint was referred to me.

## **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 uphold this complaint. I will explain why.

My decision only covers the period up to the date of RSA's response to the complaint in March 2023. I'm aware Miss C and Mr D continued to be concerned about RSA's handling of their claim after that date, but that doesn't form part of this decision.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. Miss C and Mr D complained to RSA because they were concerned about the progress of their claim. So, I've looked at what happened. From what I can see, RSA initially made some progress with the claim. However, it then, mistakenly, seemed to think the property had been dried when this wasn't the case. RSA also seemed to expect that the company it had appointed to do some of the work would also do the strip out work. However, the company said this was incorrect and that it also hadn't received any instructions to do this. So, I think there were avoidable delays that affected the claim at an early stage. The delays in drying the property also meant wet contents was left in the property, which RSA accepted shouldn't have happened.

In my view, RSA's communication was also poor at times, which included a claim handler being on leave without informing Miss C and Mr D of this. Miss C and Mr D had expected their claim to progress but had problems contacting someone to try and find out what was happening. Miss C and Mr D have also said they were initially told they wouldn't be offered alternative accommodation during the claim. At least in part, this seemed to be because RSA had assessed the claim would progress much quicker than it did.

I'm aware Miss C and Mr D have said compensation should be enough to make RSA consider how it treats its customers. Compensation isn't intended as a punishment or a fine. I'm also not able to require RSA to look at its wider business practices. My role is to consider the circumstances of individual complaints.

Having done that, I can see there were about three months of avoidable delays during the time period I'm considering. Miss C and Mr D have explained the impact on them, including on their mental health and wellbeing. They also moved in with their parents because of the ongoing condition of their home, which impacted them. So, having thought about this, I think RSA should pay a total of £500 compensation, which includes the £250 it previously offered. I think this more fairly reflects the impact on Miss C and Mr D because of how RSA dealt with the claim.

### **Putting things right**

RSA should pay a total of £500 compensation, which includes the £250 it previously offered.

### **My final decision**

For the reasons I have given, it is my final that this complaint is upheld. I require Royal & Sun Alliance Insurance Limited to pay Miss C and Mr D £500 compensation, which includes the £250 it previously offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C and Mr D to accept or reject my decision before 6 February 2024.

Louise O'Sullivan  
**Ombudsman**