

The complaint

Mr G and Mrs G complain about Royal & Sun Alliance Insurance Limited (“RSA”) and the service provided to them following a claim they made on their home insurance policy.

What happened

The claim and complaint circumstances are well known to both parties. So, I don’t intend to list them chronologically in detail. But to summarise, Mr G and Mrs G held a home insurance policy, underwritten by RSA, when they discovered evidence of a water leak in their home. So, they contacted RSA in May 2022 to make a claim.

RSA accepted the claim, and they appointed different companies to handle the trace and access aspect of the claim, as well as the repairs to Mr G and Mrs G’s home for the damage the leak caused. As these companies were acting as agents of RSA, RSA were ultimately responsible for the actions they took. So, I will refer to these companies as though they are RSA throughout the decision, where appropriate.

But Mr G and Mrs G were unhappy with how long it took for the leak to be identified and repaired. And they were unhappy with the inconvenience they were caused during this time, which included not having access to a working kitchen. So, they raised a complaint with RSA, explaining how their health had been impacted by the stress and anxiety they had been caused.

RSA responded to the complaint and upheld it. They accepted there had been avoidable delays during the claim process, which meant it had taken longer than necessary to trace, and repair, the leak and the damage it caused to Mr G and Mrs G’s home. And they also accepted they could’ve been more proactive when communicating with Mr G and Mrs G. So, they paid Mr G and Mrs G a total compensatory amount of £650 to recognise the above. Mr G and Mrs G remained unhappy with this response, so they referred their complaint to us.

Our investigator looked into the complaint and didn’t uphold it. They recognised it had been accepted by RSA that there had been avoidable delays, and a lack of communication during the claim. But they thought the £650 compensatory payment was a fair one, considering the events that took place up to the complaint final response, and RSA’s reimbursement of other costs such as disturbance allowance and laundry. So, they didn’t think RSA needed to do anything more.

Mr G and Mrs G didn’t agree, providing comments explaining why. This included, and is not limited to, their continued belief that the £650 didn’t fairly recognise the stress and anxiety they had felt.

And they didn’t think the payment was enough to ward off RSA providing a similar level of service to other customers in the future.

Our investigator considered these comments, but their view remained unchanged. Mr G and Mrs G continued to disagree and so, the complaint has been passed to me for a 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.

Having done so, I'm not upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

First, I want to recognise the clear impact this complaint has had on Mr G and Mrs G. I've carefully considered all their comments, alongside the photographic and video footage they've provided, and I don't doubt it would've been stressful and inconvenient living in their house while the leak was being traced and repaired.

And I note RSA have already accepted in their final response to the complaint that there were avoidable delays during the claim process. And, that their communication with Mr G and Mrs G fell below the standard they'd expect. As this is accepted by RSA, I'm satisfied that the merits of the complaint itself are no longer in dispute. So, I don't intend to discuss this in detail.

Instead, I've focused my decision what I believe does remain dispute, which centres around what RSA should do to put things right. And when doing so, I want to make it clear I've only be able to consider the events that took place, and information provided to RSA, up until the date of RSA's final response in March 2023. Anything that occurred after that time would fall outside of our service's jurisdiction to consider as part of this complaint and would need to be handled separately.

I note RSA have already paid Mr G and Mrs G £650 to recognise their errors. So, for me to say RSA should do something more, I'd need to be satisfied this £650 failed to adequately address the impact caused to Mr G and Mrs G. When thinking about this, I've taken into consideration all aspects of the claim as well as our services usual approach. And having done so, I don't think RSA need to increase this payment, and I'll explain why.

Having reviewed a timeline of the claim up to March 2023, I'm satisfied there were between five to six months of avoidable delays, up to the point the leak was located and repaired. While I do think most of these delays were caused by the failures of the companies RSA appointed to complete the necessary work, as I've explained above RSA remain ultimately responsible for these companies' actions. So, I do think Mr G and Mrs G were left living in a home with an ongoing leak for longer than they should've done.

And I can see from the video and photos provided the extent of the trace and access work and how Mr G and Mrs G's kitchen was left for extended periods of time, which I do think would've been frustrating and stressful to live with. So, I do agree that a compensatory payment should've been made.

But I must also take into consideration the fact that during this time, RSA paid Mr G and Mrs G a disturbance allowance, which falls in line with the amount expected under standard industry approach.

And they also reimbursed Mr G and Mrs G for their laundry costs, considering their white goods had been removed when their kitchen was stripped out. So, I think this does show RSA taking reasonable steps to try and mitigate the impact caused to Mr G and Mrs G.

And while I don't doubt the inconvenience Mr G and Mrs G would've felt being without a

kitchen for longer than they should've been, I must also take into consideration the fact that Mr G and Mrs G were offered the chance to move into alternative accommodation, which they refused. And, that they also refused RSA's offer of installing a kitchen pod to give them access to kitchen facilities at their home during this time. While this was Mr G and Mrs G's own choice to decline these, and I can't tell Mr G and Mrs G what they should, or shouldn't have done, I don't think it would then be fair for me to say RSA should increase the compensation amount because of this, when there were alternatives presented to Mr G and Mrs G that they chose not to accept.

On top of this, I do think RSA acted positively and proactively to the Mr G and Mrs G's choice here by then recommending, and reimbursing, the costs of an air fryer, to ensure Mr G and Mrs G didn't need to eat out daily.

And while I don't doubt the stress and anxiety the situation would've caused to Mr G and Mrs G, I can't see any medical evidence was provided to RSA at the point of their final response to show how this had caused a reoccurrence of the medical conditions as Mr G and Mrs G have alluded to. And for this to be considered, I would expect some sort of evidence to be provided. And the same applies to an increase in heating costs that Mr G and Mrs G have referred to. While I understand the logic for this, considering their kitchen was without a floor, for actual financial losses to be considered here, I'd expect evidence of this to be provided to RSA to consider. I can't see this was done at the point of RSA's complaint response and so, I don't think I can say RSA have acted unfairly when not considering this as part of the compensatory payment they made.

So, having considered all the above, while I don't in any way want to discredit, or take away from Mr G and Mrs G's lived experience and the stress and anxiety they felt during the avoidable delays they experienced, I think the compensatory offer of £650 RSA paid was a fair one, that falls in line with our service's approach. Because of this, I don't think RSA need to do anything more on this occasion.

I understand this isn't the outcome Mr G and Mrs G were hoping for. And I appreciate this is unlikely to allay their concerns regarding RSA failing to take learning from their experience, and a similar service being provided to other customers. But this isn't something our service is able to consider when making a decision, as it isn't our role to punish a business. Instead, it is our role to consider the individual circumstances of a complaint, the impact on a customer and then any offer paid by a business, in an unbiased, and independent way. And that's what I've done on this occasion.

My final decision

For the reasons outlined above, I don't uphold Mr G and Mrs G's complaint about Royal & Sun Alliance Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mrs G to accept or reject my decision before 15 April 2024.

Josh Haskey
Ombudsman