

The complaint

Mr and Mrs R complain about Royal & Sun Alliance Insurance Limited's ('RSA's') handling of their home insurance claim.

Any reference to RSA includes the actions of its agents.

What happened

Mr and Mrs R have a home insurance policy with RSA. In May 2022 they contacted RSA to make a claim as there was ingress of water in their converted garage/office. This was later found to have been caused by a water main pipe. RSA accepted the claim. Once the leak was fixed, RSA stripped out and dried the room.

Before repairs could begin, there was a second incident of water ingress. RSA thought this was caused by defective seals and pointing around the front door which was allowing rainwater to enter. It said it wasn't liable for this damage, and therefore offered a cash settlement for the repairs needed due to the initial water ingress.

Mr and Mrs R complained to RSA about its handling of the claim. RSA issued a final response to the complaint in March 2023. It accepted there had been delays in its handling of the claim, and paid Mr and Mrs R £750 compensation for this.

Mr and Mrs R brought a complaint to this Service. They were unhappy with the compensation paid by RSA, and also thought the second incident of water ingress had been caused by RSA's contractor removing an internal step by the front door.

Meanwhile, Mr and Mrs R obtained quotes from contractors for the repairs, but said the repairs would cost more than the cash settlement offered by RSA.

Our investigator provided her initial findings and concluded that the compensation paid by RSA had been reasonable for the delays. However, she thought the secondary damage had likely occurred because of the removal of the doorstep by RSA's contractor, and recommended that RSA accept liability for this damage.

RSA disagreed with our investigator's recommendations. It said the door seals had already failed before the doorstep had been removed. RSA also told us that Mr and Mrs R had since addressed the failed sealant around the front door, and had had a blocked drain cleared that was apparently allowing water to build up and then enter through the door. RSA said that the office had then dried out naturally and so there was no further damage being claimed. Finally, RSA confirmed that repairs were progressing, and it was waiting for some further information from Mr and Mrs R before it could review its cash settlement offer.

Our investigator issued a second report with her amended findings. She explained she was solely considering RSA's handling of the claim, and again concluded the compensation RSA had paid was reasonable.

Mr and Mrs R didn't accept our investigator's findings, and so the matter was referred to me. I issued a provisional decision on 22 January 2024. My provisional findings said:

'Mr and Mrs R say that as part of the strip out works, RSA's contractor removed a doorstep and broke the seals around the door. They think RSA's contractor was therefore responsible for the second incident of water ingress.

Both parties have confirmed there's now no damage being claimed for as a result of the secondary water ingress. Mr and Mrs R have carried out repairs and the office has dried out naturally. However, this did cause delays with the repairs following the initial water ingress, and led to RSA making a cash settlement offer instead of carrying out those repairs itself. I've therefore considered whether RSA was at fault for what happened.

I've read the leak detection reports. The company visited in June 2022, and their first report said, 'Our equipment detected water ingress escaping through poor seals and pointing externally surrounding the front door'. They also thought there was a possible mains leak, as water movement could be heard around the step into the office. They carried out a second visit and thought the main area of concern was inside the office where the main supply pipe ran. However, they also referred back to their previous survey where water ingress had been noted via the door through the poor seals and external pointing.

The leak detection surveys took place before the office was stripped, yet it's apparent there were issues with the door seals and external pointing at this time.

I also note that RSA's loss adjusters carried out an inspection after the strip out works had taken place. They thought the water ingress was a direct result of the failed door seals, as well as a blocked drain.

Mr and Mrs R say that the water entering through the front door when the leak detection survey took place was minor and very limited compared to the re-flooding from rain that resulted after the step was removed. Though RSA makes the point that the survey took place in the summer months, and says it was only in the latter part of 2022 when further rainfall occurred and backed up the drain in front of the door, which allowed more water ingress.

I can appreciate the water ingress may have been made worse by the removal of the internal doorstep. Though since the room had apparently dried out following Mr and Mrs R's repair of the door seals and unblocking of the drain, this does suggest that the removal of the step wasn't the main cause of water ingress. Ultimately, the water was able to enter the room because of the failed door seals. The evidence I've seen persuades me that the door seals were defective before the strip out works took place. I therefore don't find that RSA was responsible for the second incident of water ingress, or the delays that resulted from this.

However, RSA accepts there were delays in its handling of the claim. Much of this was due to poor communication between Mr and Mrs R and RSA's loss adjusters, which led to Mr R needing to often chase the loss adjusters for more information. Matters weren't helped by several adjusters dealing with the claim instead of one point of contact. Mr and Mrs R have explained how they have been impacted by the delays, and I appreciate that Mr R has been particularly affected as he used the office for work.

Our investigator has already explained our approach to compensation, so I won't repeat this here. Taking everything into account, I'm satisfied that RSA's payment of £750 compensation fairly reflects the impact caused to Mr and Mrs R by the delays it caused. I therefore don't intend to require RSA to increase this.'

I asked both parties for any further comments they wished to make before I made a final decision.

RSA responded to say it had no further comments.

Mr and Mrs R responded with the following main points:

- They had a damp inspection carried out, and this found no evidence of moisture in the floor. They provided a copy of this.
- After RSA's contractor had stripped out the room, rainwater filled the cavity where the step had been and overflowed into the room.
- After the room was stripped out, the seal under the doorframe was broken and the water ingress route was established.
- The repairs have taken over 20 months, and RSA passed the restoration project onto them with a cash settlement for materials.
- The matter took a substantial part of their home out of action, and caused them a great deal of stress.

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.

Mr and Mrs R have provided me with a copy of a damp inspection report following a survey that was carried out in March 2023. The company said there was no evidence of moisture present in the floor.

This report was provided some time after the second episode of water ingress. I don't know when Mr and Mrs R carried out the repairs to the front door and the blocked drain, but I would assume these took place before the damp specialist attended. In any event, this report doesn't provide any information about the second episode of water ingress or what caused this.

When the leak detection specialist initially attended (before the step was removed), they said water movement could be heard around the step into the office. They also found the door seals were defective. This evidence therefore supports there was water ingress to the area before the step was removed, and that was because the door seals had failed.

I therefore remain satisfied that RSA's contractor wasn't responsible for the second incident of water ingress, or the resulting delays.

I appreciate Mr and Mrs R were impacted by the delays that RSA was responsible for. However, I remain of the view that the £750 compensation payment was reasonable, and this reflected the impact to them caused by the delays.

My final decision

My final decision is that I don't uphold this complaint, as I'm satisfied that Royal & Sun Alliance Insurance Limited has paid reasonable compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R and Mrs R to accept or reject my decision before 1 March 2024.

Chantelle Hurn-Ryan

Ombudsman