

The complaint

Mr R complains that Royal & Sun Alliance Insurance Limited ("RSA") have unfairly handled claims made on a marine insurance policy.

Any reference to Mr R or RSA includes respective representatives or agents.

What happened

The background of this complaint is well known to all parties and has been discussed in detail by our Investigator previously. So, I'll summarise events.

- Mr R owns a boat that is insured by RSA. This complaint concerns three claims he has made under this policy. This happened across 2014 to 2015 and resulted in various stolen items and damage.
- RSA requested Mr R obtain estimates for repairs. RSA sent an assessor to the site in 2015 who commented there was a dispute between Mr R and the marina. The claims were closed in 2016 as it didn't receive anything from Mr R at that time.
- Mr R contacted RSA in March 2017 to progress the claim. Further details of loss were provided to RSA and in turn, it validated these losses. Across the following months it settled several invoices for repairs, works or replacement items.
- Around July 2018 RSA arranged a new damage report. RSA has said this was in an attempt to bring the matter to a close. It requested further quotes/invoices, and soon after Mr R raised concerns about difficulties in obtaining these, and requesting RSA provide support in doing so.
- RSA declined part of the claim related to a generator. As our Investigator has outlined, this matter was subject to a previous complaint considered by this Service, so I won't repeat or revisit the same issue here.
- Further items were raised by Mr R. RSA questioned why new items were being raised but settled all of these with the exception of a life raft and life jackets.
- Mr R complained, saying RSA had taken too long to resolve the claim and handled it badly across its life. This included asking him to obtain and provide unreasonable information without support and asking accusatory questions. And failing to pay for specific items (including life jackets and a life raft). He said RSA's inaction had prevented him from using the boat, so it should pay him £33,000 in associated costs.
- RSA said the claims were mainly delayed due to the dispute between Mr R and the marina, related to unpaid fees which it says prevented access to the boat. RSA says it has settled all costs for the claim in line with the policy, but offered £100 in compensation for delays but declined any further costs or fees.
- Our Investigator upheld the complaint in part. I've summarised his view below.
 - RSA's policy allowed it to request estimates from policyholders. So, it had acted fairly and within the policy terms by requesting quotes as it did.
 - That Mr R hadn't provided information in places which prevented the claim

from progressing. And when RSA had been given information, it had largely been quick to validate matters until 2018.

- He said RSA should've supported Mr R when he explained he was struggling to obtain quotes. And in places, it could've been more pro-active with Mr R. But he didn't think it was responsible for delays caused by Mr R's dispute with the marina. So, he awarded £400 compensation for its handling. But he didn't believe RSA had delayed the claim to an extent that it should pay any fees, upkeep, or marina costs.
- Based on the limited information available, he felt RSA's questions were reasonable. And there was no evidence to suggest RSA had delayed the claim due to the wishes of, or pressure from the marina. But he did feel RSA had unfairly declined to replace a life raft and life jackets.
- RSA agreed to increase its offer of compensation and to pay for the outstanding items. But Mr R disagreed, commenting on RSA's handling. Specifically, he raised he was unhappy with an email chain from 2016 that he said implied he may be connected to the theft. And he raised concerns about the generator. He also asked for RSA to revisit the prices it would settle at, as these costs were now out of date.
- Our Investigator looked again, he felt the questioning from RSA's loss adjuster was reasonable and that he had explained why he felt the information was relevant. He reiterated the generator matter could not be considered again. And he said the payments had been made some years ago, so he wouldn't direct it to revisit this.
- Mr R also provided two invoices that he said RSA had yet to settle amounting to around £700. These have been shared with RSA for its consideration.

So, the matter has been passed to me for an Ombudsman's final 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 upholding this complaint. I'll explain why.

- RSA's policy allows it to request a policyholder to obtain estimates, as it has done here. So, on its face I think this is reasonable.
- When Mr R explained he had difficulties in obtaining estimates, I believe RSA could've been more helpful than it was, in light of its experience in these matters and potential contacts. And I think it's likely this inaction led to some delay in this claim progressing.
- Looking over the available history of the claim, it appears to me that many of the delays fell outside of RSA's hands. I say this as there are substantial periods where RSA had requested information and the information wasn't provided. And where information was forthcoming, particularly across 2017 and it seems most issues were resolved.
- Although I do recognise it was responsible for some delays, and was not as prompt as we would expect, as detailed by our Investigator previously and now accepted by RSA. I've thought about these delays when awarding overall compensation below.
- RSA has now accepted to cover additional items (life raft and life jackets) that it seemingly had previously declined due to a lack of information. I'm satisfied it had declined these items unfairly in the circumstances, and I've considered the impact of

this below.

- Mr R has complained about a specific email chain in which a loss adjuster asks him details about a key fob and a third party. I understand questions during an insurance claim can or may feel intrusive, this does not mean they are unnecessary. And in this instance, having read these emails carefully, I'm satisfied all of the questions included were reasonable within the scope of the loss adjuster's role in handling this claim. So, this isn't something I'd make an award of compensation for.
- Mr R has mentioned the possibility of collusion between RSA and the marina, suggesting RSA may have elongated the claim for the benefit of the marina. I've been given no evidence to support this allegation.
- Overall, it's clear to me that these claims have taken much longer to resolve than any party would've hoped. While I'm satisfied RSA has not progressed matters as promptly as it should've done in places, I do not believe its actions have led to this matter being ongoing for as long as it has. And instead, I think RSA attributing these delays largely to Mr R's dispute with the marina seems like the most likely cause.
- As a result, I don't hold RSA responsible for the full period of time that Mr R has been unable to use his boat. And in turn, I don't think it would be fair nor reasonable to direct RSA to pay for fees and costs that Mr R has sought. But I do believe RSA needs to compensate Mr R for delays in its handling, and I'm persuaded that £400 is a fair sum in the circumstances.
- Mr R has also mentioned costs he believes RSA owes him related to the generator. This matter does not fall within the scope of this decision so I will not comment on it any further.
- Mr R has provided two invoices dated 31 January 2019 and 14 November 2019 that he says have yet to be paid. I've not received RSA's position on these but I expect it to consider them in line with its terms and conditions and either simply settle them, or provide a prompt response to Mr R as to its position. I expect it to do this within 28 days of this decision.

My final decision

For the above reasons, I'm upholding this complaint. I direct Royal & Sun Alliance Insurance Limited to do the following:

- RSA must pay Mr R £400 in compensation;
- RSA must settle the costs of the life jackets and life raft if it has not done so already;
- RSA must reconsider the costs within the remaining two invoices outlined above in line with the policy terms and conditions if not already paid. If it does not do so within 28 days in line with my instruction, RSA must settle any remaining items in full.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 15 June 2022.

Jack Baldry
Ombudsman