

The complaint

Ms K complains that Royal & Sun Alliance Insurance Limited (“RSA”) declined to pay out for her home insurance claim.

What happened

Ms K moved home in August 2020 and engaged a company to help move her household goods and other items. Some of her items were damaged during the move, so Ms K made a claim to RSA under her home insurance policy.

RSA declined the claim in February 2021. It said that as Ms K hadn’t used a “professional removal contractor” she wasn’t entitled to claim for the damage to most of her goods. RSA say its policy wording sets out cover as:

“23; Contents cover when you are moving home

The insurer will pay for loss or damage to contents when you move home as a result of causes under Section C: Contents 1-11.

Cover for loss or damage is provided:

- if caused during household removal by a professional removal contractor moving them from your home to another permanent home in United Kingdom; and/or*
- while they are being held in temporary storage by the removal firm for up to 72 hours.*

RSA say that Ms K engaged the services of a “man with a van” and provided evidence of how the van was loaded for the journey. It says that the van was open-backed and Ms K’s household goods were not even covered up for the journey which indicated that the removal contractor wasn’t a professional one.

RSA did say that it could consider cover for damage to Ms K’s laptop and phone under her cover for personal possessions, as well as a TV that Ms K says was partially damaged in the move, and then damaged further when she installed it in her new home. Although RSA said Ms K would need to make a new claim for the installation damage to the TV. RSA also agreed that it would pay £100 for the delay in communicating with Ms K, and it would waive her policy excess of £200 for her claim.

Ms K remained unhappy and brought her complaint to this service. One of our investigators looked into her complaint and issued a view based on the information he was able to obtain. He said that he thought RSA hadn’t acted fairly and reasonably in declining Ms K’s claim. He said he was able to identify the removal company and it seemed to be set up as a removal and storage company. Our investigator said that on that basis, Ms K had done enough to find a company she thought was a professional removal contractor and so RSA should pay for Ms K’s entire claim.

He also said that the delay in turning down Ms K’s claim from August 2020 to February 2021

was poor service and agreed with RSA's £100 payment for Ms K's inconvenience. He also said that Ms K had a separate arrangement covering her policy excess, so waiving the £200 claim excess was likely to have limited value to Ms K.

Ms K agreed with the view but RSA did not. It said the company Ms K used was listed as a "handyman service" and as such could not be considered as a professional removal contractor. It asked that the decision be reviewed by an ombudsman so it has been passed to me to make a final decision.

I issued a provisional decision to give both parties the opportunity to consider things further. This is set out below:

My role is to assess whether I think RSA made a mistake, or treated Ms K unfairly, in how it decided to decline the claim. The crux of this claim is the term RSA used to decline the claim, which is "professional removal contractor".

In our investigator's view, he mentioned a business with the same name as the one engaged by Ms K, but I don't think that's the correct business because it is located several hours drive away from Ms K and from what I can see it does not operate the same type of vehicle shown in Ms K's photos. RSA also mention a business with the same name as being a handyman service but again this business seems to be located elsewhere.

Ms K has provided some information about her contractor in her complaint and her words indicate to me that this business is located nearby to her. I have asked for clarity from Ms K about who the contractor was and how she engaged it, but I've not had any confirmation from her about who it was. I've looked carefully through all Ms K's submissions to this service and have found information about a business with the same name saying it is a "fencing, landscaping, clearance and groundworks" company.

In the absence of any confirmed details it falls to me to make a decision based on the information I have.

RSA do not say in the policy wording what "professional removal contractor" means and have clarified later that they would consider a business to be one of this type if they are

"a dedicated business equipped for home & business removals and can do so with appropriate care and attention."

I think RSA's phrase is reasonable and they have tried to use the common or everyday meaning of words in it. There have been discussions between this service and RSA about a description of a "man in a van" and I'm not persuaded that a "man in a van" cannot provide the same quality of service mentioned in RSA's phrase above.

Ms K engaged a company that had been recommended to her as being one who did removals, but I can see from the photos that her belongings were loaded onto an open backed van and covered with her mattress. She had said during the journey that there was a short but significant rainfall which damaged her mattress and formed part of her claim, which indicates to me that the load probably wasn't properly covered in any way. From the evidence I have seen, I don't think the company used by Ms K was a professional removal contractor, even if she did believe that it had done similar, satisfactory, work before.

So I think it's fair to say that RSA acted fairly and reasonably in declining most of Ms K's claim. Ms K may be able to take civil action against the contractor who damaged her goods and she should seek legal advice if she wishes.

RSA have said they are willing to consider Ms K's laptop and phone claim as being covered under her personal possessions cover, as well as the damage to the TV subject to a new claim being made for the damage caused when it was being installed. I think this approach is fair and I think Ms K should make those claims in due course.

Claims service

I agree with our investigator's view that RSA seem to have declined Ms K's claim some five months after the damage happened. This seems very poor service indeed. Ms K makes the point that searching online for the removal company is a "five minute job" and I agree with her that RSA should have done more, earlier on in the life of the claim to establish the exact nature of it. Ms K has said she was struggling with other issues around this time and I think RSA's poor service did not help her during the claims process. I understand RSA have already offered Ms K £100 and agreed to waive her policy excess of £200, but I think RSA should pay Ms K this amount instead as she already has a separate arrangement to pay for the excess.

My provisional decision

For the reasons set out above, my provisional decision is that I intend to partially uphold this complaint. I intend to direct Royal & Sun Alliance Limited to:

- *Pay Ms K a total of £300 for her distress and inconvenience. If £100 has already been paid, then Royal & Sun Alliance Limited may deduct this.*
- *Handle Ms K's claim for the laptop and mobile phone under the personal possessions cover, subject to the rest of the terms and conditions of the policy.*
- *Handle Ms K's claim for the damage to her TV that happened in her home when installing it, subject to the rest of the terms and conditions of the policy.*

Response to my provisional decision

RSA agreed with my provisional decision and Ms K responded to ask for more time to consider it, but then didn't send me any further information.

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.

As RSA agreed with my provisional decision and Ms K didn't respond, my final decision and reasoning remains the same as in my provisional decision.

My final decision

My final decision is that I partially uphold this complaint. I direct Royal & Sun Alliance Limited to:

- Pay Ms K a total of £300 for her distress and inconvenience. If £100 has already been paid, then Royal & Sun Alliance Limited may deduct this.
- Handle Ms K's claim for the laptop and mobile phone under the personal possessions cover, subject to the rest of the terms and conditions of the policy.

- Handle Ms K's claim for the damage to her TV that happened in her home when installing it, subject to the rest of the terms and conditions of the policy.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms K to accept or reject my decision before 27 May 2022.

Richard Sowden
Ombudsman