

## **The complaint**

Mr K and Ms W complain about Royal & Sun Alliance Insurance Plc (RSA)'s handling of their contents insurance claim.

Ms W has been the main party involved in the claim process. Therefore, I will mainly be referring to her in my reasoning below.

All references to RSA also include its appointed agents.

## **What happened**

Below is intended to be a summary of what happened and does not therefore include a full timeline or list every point that has been made.

The details of this complaint are well known to both parties, so I won't repeat them in full here. But in summary, Mr K and Ms W made a claim for theft at their home. Ms W is unhappy with the service she's received throughout the claim and has previously raised two other complaints. RSA provided final responses for these in April 2019 and May 2019. Following these, further issues have been raised by Ms W including:

- RSA's proposed settlement of the claim – in particular for certain items of jewellery. Ms W says RSA have not transparently set out to her their valuations of her jewellery.
- RSA have failed to provide information regarding claim options, which Ms W says she has asked for repeatedly.
- RSA's failure to respond to Ms W's previous Data Subject Access Request (DSAR).
- RSA's handling of the claim and its delay in making a settlement.

There are several aspects Ms W has raised in her submissions that our service cannot consider in this complaint. I've set out what I can't consider, and why, below.

My decision focusses on events following RSA's final response in May 2019, up to its most recent final response in September 2020. Any references to events outside of these dates are purely for contextual purposes.

## **My provisional decision**

I issued a provisional decision on 1 August 2022. In my provisional findings, I said:

*"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint."*

*Why I can't consider issues raised and covered in RSA's final responses of April and May 2019*

*The rules say, where a business doesn't consent, I can't consider a complaint which is referred to me more than six months after the date it sends the complainant its final response letter advising them they may refer the complaint to this office. Dispute Resolution*

rule 2.8.2R (1) can be found in the regulator's handbook of rules and guidance. RSA issued final responses on April and May 2019. So, Ms W had six months from those dates to refer the matter to this office. However, it wasn't brought to our service in this time. I am, however, allowed to investigate late complaints if the failure to comply with the time limits was due to exceptional circumstances.

I've considered what Ms W has said about continuing to escalate her complaints with RSA. But I don't think this would have prevented Ms W from bringing her complaints to our service. And RSA had already made clear in its final responses Ms W had six months from the date they were issued to do so.

So, for these reasons I don't think our service can consider the issues covered in RSA's responses of April 2019 and May 2019.

#### *Issues raised regarding RSA's handling of Ms W's complaints*

There are a number of factors that determine whether or not we can consider a complaint, ranging from where the activity took place (our territorial jurisdiction) to whether the activity complained about is something we can investigate.

DISP 2.3.1R says "The ombudsman can consider a complaint under the Compulsory jurisdiction if it relates to an act or omission by a firm in carrying on one or more of the following activities." Following that is a list of activities that we can investigate. That means we can only investigate Mr K and Ms W's complaint if the actions of RSA in handling the complaint are a regulated or otherwise covered activity.

Regulated activities are a specified list of activities that the Financial Conduct Authority regulate and authorise financial businesses to carry out. I won't repeat the full list here as it contains a large number of activities. But having considered that list it doesn't include complaint handling. As the activity isn't one the regulator authorises and it isn't an otherwise covered activity under the rules, this isn't something our service can consider.

#### *Issues raised regarding comment from RSA's Field Adjuster*

Ms W is unhappy with comments made by RSA regarding a visit from a Field Adjuster in 2019. She has said she feels the comments were discriminatory in nature and unfairly influenced RSA's subsequent handling of her claim.

I understand why Ms W feels strongly about this, but our rules say RSA must have the opportunity to respond to this complaint first. So, Ms W will need to raise this with RSA first, and she can then bring a new complaint to our service if she is not satisfied with its response. I will now turn my consideration to the matters which can be addressed.

Events following RSA's final response in May 2019, up to its most recent final response in September 2020.

I understand Ms W feels strongly about what's happened and she has provided detailed submissions in bringing her complaint. I want to assure her I have read and considered everything she's said carefully.

We're an informal dispute resolution service, set up as a free alternative to the court. So, in deciding this complaint I've focussed on what I consider to be the heart of the matter rather than commenting on every issue in turn. This isn't intended as a discourtesy to Ms W. Rather it reflects the informal nature of our service, its remit and my role in it.

*Having done so, I'm intending to uphold Mr K and Ms W's complaint in part. I'll explain why:*

- The policy sets out that RSA can settle the claim at the amount it would cost for it to replace an item.*
- RSA increased its offers on several items following its final response, but some items appear to be outstanding.*
- From internal contact notes I can see there were times when RSA have tried to contact Ms W unsuccessfully. However, I don't think this meant Ms W was not engaged in the claim. She'd previously explained to RSA why there might be times where there could be gaps in communication, and I think she has tried to provide as much information as she can to validate the claim.*
- Given the personal nature of the jewellery, it's reasonable Ms W feels passionately about making sure the items are correctly represented when replaced.*
- Although claims of this nature do involve a degree of inconvenience, I do think RSA could have provided clearer information to Ms W about all of her potential options in settling the claim, but I can't see that it did.*
- Ms W has asked for this information on more than one occasion and I can understand her frustration. If RSA had done so, it's possible the claim could have progressed, including the settlements being agreed on many of the items. Which I can see it has since this complaint was brought to our service.*
- For this reason, I think RSA should pay Mr K and Ms W £175 compensation as I think this fairly represents the inconvenience this has caused.*
- I can see since RSA's final response of September 2019, settlements for further items have been agreed, however some remain outstanding. To bring matters to a conclusion I'm intending to direct RSA to create drawings for any remaining outstanding items. If RSA can replace these items like for like or make them from new, then it can proceed to do so.*
- If it cannot, then it must offer a full cash settlement at what it would have cost Mr K and Ms W to replace the items at the time the claim was accepted.*
- RSA are entitled to rely on the opinion of experts to settle the claim. However, if Mr K and Ms W do disagree with RSA's drawings or their valuations, it's reasonable they be allowed to provide their own evidence for RSA to consider.*
- RSA said in its final response it hasn't provided some of the requested information previously due to ongoing investigations. I've set out why I don't intend to comment on certain aspects relating to the field and further investigations above, however when considering this point alone I don't think RSA acted unreasonably in not providing this information.*

*So for these reasons, I intend to uphold this complaint."*

## **Responses to my provisional decision**

RSA didn't provide any further response to my provisional findings.

Ms W provided further comment following my provisional findings. I've considered these in full but in summary Ms W has made the following points:

- Ms W doesn't agree the compensation I recommended in my provisional findings is sufficient. She has provided details of her daily salary to support what she feels is a more reasonable figure.*
- Ms W said there is still a large disparity between the valuation provided by RSA and the cost its contractors quoted to remake the jewellery.*

- Ms W feels any cash settlement should be made at today's prices, and not at the time the claim was accepted.

### **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.

I've carefully considered what Ms W said, but it doesn't change my decision – or my reasoning.

The role of this service isn't to make punitive awards and unlike a court, our awards of compensation are relatively modest in comparison. I understand Ms W feels strongly about what has happened and I appreciate her comments on why she considers I should award a significant amount of compensation.

However, it wouldn't be reasonable to award compensation based on Ms W's hourly or daily rate, as she wasn't acting in her professional capacity when dealing with RSA. Having reviewed everything available to me again, I'm satisfied the award I made in my provisional decision is fair and reasonable for the reasoning I set out.

In order to reach my decision, I have to rely on the information available to me to decide if I think RSA have acted fairly regarding its valuations, with particular consideration given to the opinions of experts.

As I set out in my provisional findings, RSA are entitled to rely on the opinion of experts to settle the claim – as it has done in this case. It's also not unusual for cash settlements to be offered at the rate it would cost the insurer to replace the item – and the policy does say it can do this. RSA also said some of the drawings previously created are not a fair reflection of the items, and this has been confirmed in its expert's comments.

I know Ms W disputes this and some of the valuations. But I've not seen anything to persuade me the valuations are obviously wrong. As I've set out in my provisional decision, if Ms W wishes to do so, she can provide her own evidence to support her assertion regarding the valuation, and it's reasonable for RSA to allow her the opportunity to do so.

The claim was accepted by RSA around August 2019. I set out that I think RSA could've done more to make the options available to Ms W clearer. However, I don't think this ultimately would have meant the claim would be settled any sooner because it wouldn't have changed the dispute regarding the settlement amounts. And as mentioned I've not seen any evidence to persuade me the valuations provided by RSA are obviously wrong. So, I think it's fair the settlement amount be calculated from the date the claim was accepted.

### **My final decision**

My final decision is that I uphold Mr K and Ms W's complaint.

To put things right, I direct Royal & Sun Alliance Insurance Plc to act as I've set out in my provisional findings.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K and Ms W to accept or reject my decision before 15 September 2022.

Michael Baronti  
**Ombudsman**