

## The complaint

Mr H is unhappy Royal & Sun Alliance Insurance Limited turned down a claim he made on his wedding insurance policy.

## What happened

Mr H was due to get married (to Ms M) in April 2021 in an overseas location. The wedding couldn't go ahead because of the Covid-19 pandemic. In February 2022 Ms M contacted RSA and said they were planning to reschedule the wedding. However, prices had gone up and she wanted to know whether the policy would cover those increased costs. The adviser said if the original wedding couldn't go ahead because it would have been curtailed by Covid restrictions the policy would cover rearrangement costs.

In June 2022 Mr H provided further details of the original cost of the wedding and the cost of a rescheduled one. RSA turned down the claim. It said the policy covered cancellation or rearrangement where the venue was unable to host the wedding for one of the reasons set out in the policy. But in this case the venue would have been able to do so; the cancellation was because Mr H, Ms M and their guests weren't able to travel because of Covid restrictions in place at the time. That wasn't something their policy covered.

Our investigator agreed that, although there would have been restrictions in place, the venue could have hosted the wedding. He didn't think RSA acted unfairly in turning down the claim. But he agreed it gave inaccurate advice during the February phone call because the adviser did say the claim would be covered if there were Covid restrictions in place (even if the wedding could still have gone ahead). He accepted it would have been distressing for Mr H to later be told the claim wasn't covered. He said RSA should pay Mr H £250.

RSA asked for further information on the phone call with its adviser (which our investigator provided) but didn't respond further. Mr H didn't agree. In summary he said:

- RSA's adviser told them a number of times during the February call they would be covered if Covid restrictions were in place at their venue (which they were). He didn't think RSA should be able to backtrack on that commitment;
- In any case they had suffered financial loss as a result of being given that inaccurate information because they accepted offers from some suppliers to move the booking for their wedding rather than accept a refund. If given the correct advice they'd have accepted a refund.
- The proposed compensation wasn't sufficient to recognise the distress and inconvenience they were caused. Significant effort had been put in over several months to replanning the wedding which could have been avoided if they'd been correctly advised. And they'd also had to put together documentation to support their claim which again they wouldn't have needed to do if RSA had given them clear information.

So I need to reach a 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.

The relevant rules and industry guidelines say RSA has a responsibility to handle claims promptly and fairly. It shouldn't reject a claim unreasonably.

I've looked first at the terms and conditions of Mr H's policy. That does provide cover for rearrangement costs where a wedding has been cancelled. But that's only where the cancellation results from a specified list of events set out in the policy.

That includes *"the booked venue for the wedding or wedding reception being unable to hold your wedding due to an outbreak of infectious or contagious disease, damage to the venue, incomplete building work at the venue, murder or suicide at the premises, bankruptcy, liquidation or closure of the venue by the relevant authority"*.

I appreciate Mr H (and Ms M and their guests) wouldn't have been able to reach the venue because of the travel restrictions in place at the time. But that isn't something that's covered by their policy. For cover to be provided the circumstances need to fall within the above terms. And I can see the venue has confirmed to RSA that while Covid related restrictions were in place when the wedding was due to take place it was nevertheless able to host weddings at this time. So I think RSA acted correctly and fairly in turning down the claim Mr H made.

However, I appreciate that isn't what Ms M was told when she contacted RSA in February 2022. During the call with her the adviser did say that if Covid-19 restrictions curtailed the wedding (for example by making people wear masks and not allowing dancing) the policy would cover rearrangement costs. That isn't correct and I agree RSA was at fault here.

But where a business has made an error our normal approach is to consider how a consumer has been impacted by that and what position they would have been in but for that error. If a business has wrongly advised a consumer and that caused them to incur costs they wouldn't otherwise have incurred we might say the business should be responsible for those.

I don't think that's the case here. I appreciate Ms M was wrongly advised during the call but after that she was sent an email asking for relevant information in support of the claim which said *"In the meantime, where appropriate, we would ask our customers to... refrain from making any additional payments to venues or suppliers"*.

Mr H didn't then provide information in support of his claim to RSA for a further four months. If he'd done that earlier he'd have known sooner what the outcome of this was. And when he did contact RSA in June he said they hadn't confirmed a wedding date with their venue and the comparative costings he provided appear to have been with the published prices of suppliers rather than for costs they'd actually incurred.

He also said *"if you could let us know whether it is possible to claim for each of these items, that would be very helpful"*. All of that suggests to me that Mr H hadn't incurred actually additional costs as a consequence of the incorrect advice he was given by RSA.

Mr H also says he accepted offers from some suppliers to move the booking for their wedding rather than accept a refund. Our investigator asked for further evidence in support of this but we haven't received that. In any case I'm not clear any loss here could have come about as a result of the identified failing by RSA. The wedding was scheduled for April 2021

(which is presumably when discussion about cancellation or postponement would have taken place) and the call with RSA took place in February 2022.

Nor do I think it's possible to say the efforts put into rescheduling the wedding were a consequence of what RSA got wrong; I think it likely Mr H would always have needed to establish what the cost of a rescheduled wedding was in order to decide whether that was something he wanted to go ahead with (and that was information which then informed the claim he made to RSA). However, I do accept it will have been distressing for Mr H to learn the claim was being turned down when RSA had clearly indicated otherwise during its call with Ms M. I've thought about the impact of that on him and I think the £250 our investigator recommended is the right amount to recognise this.

### **My final decision**

I've decided to uphold this complaint. Royal & Sun Alliance Insurance Limited will need to put things right by paying Mr H £250. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 10 July 2023.

James Park  
**Ombudsman**