

The complaint

Ms C has complained about Royal & Sun Alliance Insurance Limited's decision not to offer Home Emergency cover at renewal to Ms C.

What happened

Ms C bought a home insurance policy with the insurer RSA. She agreed for the policy to be automatically renewed.

Before the renewal date this year, RSA wrote to Ms C and said it would no longer offer Home Emergency cover, which was previously available under the home insurance policy.

Ms C complained about RSA's decision. But it said its decision was reasonable and so didn't uphold her complaint.

Ms C asked us to look at her complaint. Our Investigator explained that it wasn't for this service to tell an insurer when to provide cover. As he found that RSA had given Ms C sufficient notice of the withdrawal of HE cover before the renewal date, he thought it hadn't done anything wrong.

Ms C didn't agree. She says she was waiting for a list of the claims made from RSA in order to shop around. Because she didn't receive this until after the renewal date, she was prevented from shopping around and looking for cover elsewhere.

So as Ms C didn't agree, the case has been passed to me to decide.

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.

An insurer's appetite for risk can and does change, which affects the cover they may offer. When a contract is renewed, it is a new contract between both parties. Before the renewal date this year, RSA let Ms C know it had decided not to offer Ms C cover for Home Emergency.

It said the reason why it made this decision was due to the high number of claims Ms C had previously made.

An insurer can make a commercial decision to no longer provide cover. This is a decision we cannot interfere with. But we can ask an insurer to provide commercially sensitive information to us to show it has treated a customer fairly and any other customer in the same position. This information cannot be shared with customers.

RSA has provided sufficient evidence to show the decision it made in Ms C's case is the same decision it would have made for any other customer in the same circumstances. So I'm satisfied that it hasn't done anything wrong.

I understand Ms C wanted RSA to provide a list of previous claims. In her email to us dated 22 May 2024 she said she wanted this as she didn't agree she had made a high number of claims. I can see RSA set out the claims history when it responded to Ms C's complaint.

Overall I don't think RSA acted unreasonably in deciding not to offer Home Emergency cover to Ms C before the renewal date. So I'm not asking it to do any more.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 12 December 2024.

Geraldine Newbold
Ombudsman