

The complaint

Mr and Mrs C complain that Royal & Sun Alliance Insurance Limited ("RSA") unfairly declined a claim following a burglary at their property.

All references to RSA in this decision include its appointed agents.

What happened

In October 2023, Mrs C returned home to find that a burglar had gained entry to her home and items such as jewellery and watches had been stolen. Mrs C called the police and later, Mr and Mrs C made a claim under their home insurance policy with RSA.

RSA asked for CCTV footage and the police report. The CCTV showed the burglar walking around the property and approaching the house, but it didn't show how he had gained entry into the home. In November 2023, RSA visited the property to validate the claim and provide a report. The report said the point of entry wasn't known and there were no signs of forced entry. Evidence from the police also said Mrs C couldn't understand how the burglar had gained entry.

RSA declined the claim. It said it was likely a door had been left unlocked, because there were no signs of forced entry. And this meant a policy endorsement, requiring all doors to be locked when the policyholders leave the property, wasn't complied with.

Mr and Mrs C didn't agree with RSA's decision to decline the claim, and made a complaint. They said the doors had been locked, and that the burglar might have used a key, as they'd had building work done previously and a tradesperson could have taken a copy and had a key cut. But RSA maintained its position, saying in its final response letter that it would need evidence the burglar had a key in order to validate the claim. Mr and Mrs C remained unhappy with RSA's response, so they referred their complaint to this service.

Our Investigator considered the complaint and didn't think RSA had acted fairly. It was recommended that RSA reconsider the claim and pay Mr and Mrs C compensation for distress and inconvenience. RSA didn't accept our Investigator's recommendations. It said that based on the evidence either a door wasn't locked or wasn't working properly, so the physical protection endorsement wasn't complied with. Because RSA didn't agree with our Investigator's view, the case has now come 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.

Having done so, I've decided to uphold this complaint. I'll explain why.

For a claim to be accepted, the insured must show that there's a loss that's covered by the policy. In this case Mr and Mrs C have shown that they were burgled, which isn't in dispute. In order to fairly decline the claim, RSA has to show that a valid exclusion applies or that a

condition of the policy wasn't complied with. It's declined the claim based on the following endorsement which it says wasn't met:

"Physical Protection Warranty

You must have fitted the following locks, keep them in full working order, and lock them whenever you leave the house or go to bed at night, with the keys removed from the locks. If you don't, you won't be covered for theft or attempted theft".

RSA says this endorsement wasn't complied with because there was no sign of forced entry into the home. I've seen the CCTV footage provided and note that it cuts out between the burglar walking around the property and then exiting the property through a door with a large bag. Whilst it would've been more helpful for the footage to show where the burglar entered the property and how he gained entry, this isn't always going to be available in every case.

RSA suggests, based on the footage and based on its site visit risk assessment, that a door was left unlocked. The risk assessment says Mr C mentioned a door may have been left unlocked at the back of the property but that he couldn't have been sure. And he's said he felt pressured into saying this by RSA's agent. Even if a door may have been left unlocked, I think it's likely this particular burglar would've been willing and able to gain entry by force. I say this because the news article I've seen about the burglar's conviction, and the police letter confirming his conviction, persuade me that this specific burglar had broken a window to gain entry when he burgled another home just a month earlier. So I don't think it makes a difference in this case whether the doors were locked or not. I think it's likely the burglary would've still taken place.

RSA has said that if it had access to the full CCTV, it would've been able to ascertain how the burglar gained entry. But I don't think this is necessarily the case. I can tell from the photos and footage provided that the CCTV doesn't cover the front door itself. And both parties seem to agree that the burglar likely gained entry via the front door. Had the full CCTV been obtained, it still wouldn't show the front door due to the angle of the cameras. Mr and Mrs C say they don't have any more footage, as it gets overwritten after 30 days. In any event, RSA hasn't provided evidence that it requested the full CCTV footage early on in the claim, before this was overwritten. I think it would've been reasonable for RSA to request the full CCTV footage early on if it thought this would show more. Mr and Mrs C have however confirmed that the remainder of the footage they had seen didn't show anything else.

Mr and Mrs C say it's possible that the burglar had access to a key, following building work at the property, as a tradesperson might have had a copy cut. And I can't see that RSA has investigated this further. It hasn't followed this up by asking questions about who might have had access to a key – nor has it given reasons for dismissing this as a possible option for how the burglar gained entry.

Ultimately, the onus is on RSA to show that the endorsement wasn't complied with. It's said on the balance of probabilities, that it doesn't think the doors were locked. It's said there was no sign of forced entry, but forced entry isn't a requirement under the policy, in order for claims to be accepted.

And RSA has effectively put the onus back on Mr and Mrs C by expecting them to prove that they didn't leave a door unlocked. I don't consider this reasonable as I consider that Mr and Mrs C have presented a valid claim, and provided information as to how the burglar might have gained entry even if all the doors had been locked.

An extension was provided until 5 November 2024 for RSA to provide more information. RSA said, on 5 November 2024, that it would chase its technical team which would provide a full response with more technical detail. But I haven't received anything further from RSA

since then. And I don't require anything further in order to fairly decide this case because I'm satisfied that both parties have provided enough evidence for me to determine that the endorsement hasn't been relied on fairly here.

And ultimately, I've been provided with clear and persuasive evidence that the crime was committed by a serial burglar who had previously broken a window to gain entry into another property. So, even if the parties don't know how the burglar gained entry in this case, it's unfair for RSA to decline the claim based on the endorsement it's relied on, because as I've mentioned, the evidence suggests the burglar was willing and able to break into properties as he'd done before – just one month previously.

So overall, I don't consider RSA has been able to adequately demonstrate that a valid exclusion applies here or that a condition wasn't complied with. It follows therefore, that I don't consider its decision to decline the claim to be fair and reasonable in the circumstances.

I'm also satisfied, from what I've seen, that Mr and Mrs C have been caused distress and inconvenience for which they should be compensated. They've expressed dissatisfaction at the behaviour of the risk assessor who attended their property, saying he led Mr C to say that a door might have been unlocked. I can see from the final response letter that RSA upheld this aspect of the complaint and said it provided feedback to the assessor about this.

And the unfair declinature of Mr and Mrs C's claim means their worry and upset following the traumatic incident of the burglary itself, was prolonged. The victim impact statement which was prepared for the court outlines how valuable and meaningful some of the stolen items were, and highlights that the distress caused by the burglary has been worsened by RSA's actions. So I consider £200 to be a fair and reasonable amount of compensation in the circumstances, to reflect the toll the situation – particularly the unfair declinature of their claim – has had on Mr and Mrs C.

Putting things right

Royal & Sun Alliance Insurance Limited should:

- Reconsider the claim in line with the remaining terms and conditions of the policy.
- If the claim is subsequently accepted, pay interest on any settlement paid to Mr and Mrs C at a rate of 8% simple per annum, from one month after the claim was made, until the date of settlement.
- Pay Mr and Mrs C £200 compensation for distress and inconvenience.

My final decision

My final decision is that I uphold this complaint and I direct Royal & Sun Alliance Insurance Limited to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr C to accept or reject my decision before 27 December 2024.

Ifrah Malik
Ombudsman