

The complaint

Miss L has complained that Royal & Sun Alliance Insurance Limited (RSA) pursued her for an outstanding premium under her home insurance policy. Miss L says the outstanding debt has led to a negative impact on her credit score.

Miss L shares the policy jointly with Mr L. For the purposes of the complaint as the lead complainant, I'll refer only to Miss L in my decision on behalf of both Mr L and Miss L.

What happened

Miss L held a home insurance policy with RSA through her bank account. Miss L complained to RSA about the service she received when she made a claim under the Home Emergency section of her policy. Unhappy with the way a claim had been dealt with, Miss L cancelled the policy.

RSA replied to Miss L's complaint in February 2024 and didn't uphold it. In the meantime, Miss L made a claim to her bank under the Direct Debit indemnity scheme for the premium she had paid for the policy since 2022. This came to £988.06.

RSA contacted Miss L requesting she pay the premium back as she was provided with an insurance policy during this time, which she had claimed against.

In May 2024 Miss L complained to RSA. She said RSA hadn't offered alternative accommodation (AA) when she was left without hot water and heating under a previous Home Emergency claim. She disputed one of the claims under the accidental damage (AD) section of her policy. Miss L said she requested the refund of premium via her bank because the policy hadn't been suitable for her and referred to her earlier complaint.

In July 2024 RSA didn't uphold the complaint. It said Miss L had benefitted from the policy and made a number of claims during this time. It said she correctly owed the sum back to RSA for the period she was insured. It listened to a key call between its agent and Miss L where she was offered AA but declined it. It provided further details of the disputed AD claim where it provided Miss L with a voucher totalling £980.82 to replace a mobile phone.

In October 2024 Miss L asked us to look at all of her complaints. Our Investigator explained that Miss L had six months to bring the first complaint to us, so by August 2024. She asked Miss L if there were any exceptional circumstances which prevented her from doing so.

Miss L said she didn't receive RSA's final response letter in February 2024. The Investigator found that RSA had sent the letter – and also emailed it to Miss L's address on 1 March 2024. So the Investigator was satisfied that Miss L had received RSA's final response letter.

She explained that as Miss L hadn't brought this complaint to this service within the six month deadline, we couldn't investigate it.

The Investigator didn't find RSA had acted unreasonably in requesting the return of the payment of £988.06. It had provided insurance cover and paid a number of claims during this period. So it was entitled to recover this sum from Miss L. And as Miss L hadn't paid it, she didn't think RSA was at fault for the consequences on Miss L's credit score.

The Investigator agreed with RSA after listening to the key call that it had offered Miss L AA but she had declined it. And she was satisfied with the details it provided of the disputed AD claim.

Miss L didn't agree. In summary she says the reason why she claimed the premium back is because she wasn't satisfied with the outcome of her first complaint. She doesn't agree that she was offered AA. She says RSA told her she would have to source and pay for AA herself. She says she had to send the broken mobile phone to RSA before it would send a new one. She also says RSA advised it would look to fix her broken phone and this claim was under a previous policy.

So 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.

Miss L's complaint which RSA responded to on 3 February 2024 which I cannot consider

As the Investigator explained, this service cannot look at all complaints.

Our powers to consider complaints are set out in the Financial Services and Markets Act 2000 (FSMA) and in rules known as the Dispute Resolution Rules (DISP), which are published as part of the Financial Conduct Authority's Handbook.

As part of these rules—set out in DISP 2.8.2R (1)—I can't consider a complaint referred to our service more than six-months after the date a business sends its final response letter to the consumer unless:

1. The business consents to our service looking into the complaint.
2. Exceptional circumstances meant that the consumer couldn't refer their complaint in time.

RSA has provided a copy of the final response letter which was sent to Miss L on 3 February 2024. It said;

"If you remain unhappy with our response you have the right to refer your complaint to the Financial Ombudsman Service, free of charge, but you must do so within six months of the date of this letter. If you do not refer your complaint in time, the Ombudsman will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances. For example, if the Ombudsman believes that the delay was as a result of exceptional circumstances."

Miss L contacted RSA on 23 February 2024 about her complaint. RSA responded to Miss L by email on 1 March 2024, using an email address Miss L has provided to us. RSA attached a copy of the final response letter. So I'm satisfied that Miss L received the letter.

This means I cannot say that Miss L's circumstances were so exceptional that they prevented her from contacting this service within the six month timeframe set by RSA in February 2024. So I cannot consider this complaint. This means even though Miss L believes it is related to the reasons why she requested a premium refund via her bank, I cannot comment on this complaint.

Complaints I can consider

RSA's request for a return of the policy premium of £998.06

Miss L made a successful claim to her bank for the return of the premiums she had paid by Direct Debit since February 2022.

RSA requested the return of the premium. It explained that it had provided Miss L with cover for Home Emergency, and home buildings and contents with accidental damage cover.

I can see that Miss L has benefitted from cover under the policy during this time, having made a number of successful claims.

RSA said if it couldn't recover the premium payment Miss L owed, it would look to recover the claim costs which are more than the premium amount.

I find RSA has acted reasonably and is entitled to a return of the premium or the costs it has paid to provide indemnity for Miss L under the policy. So it follows that I don't find RSA is responsible for any consequences of Miss L not repaying the amount she owes RSA in relation to her credit score.

Alternative Accommodation

Miss L said she wasn't offered alternative accommodation when she made a claim for her boiler failing under the Home Emergency section of her policy. Miss L was without hot water and heating. However, RSA has provided a recording of the key call where AA was discussed. Miss L was offered AA, but said moving temporarily wouldn't be suitable for her and her son. When offered temporary heaters, Miss L said she already had some.

So I'm satisfied RSA did offer Miss L AA, but she declined.

Miss L's claim for a damaged mobile phone

RSA's records show it accepted a claim for accidental damage from Miss L in August 2023 for a mobile phone. It sent Miss L vouchers to buy a replacement phone at a preferred supplier. So I'm not upholding this complaint.

I understand Miss L will be disappointed with my decision. But for the reasons I've given, I'm not asking RSA to do any more. It is entitled to pursue Miss L for the recovery of the outstanding debt.

My final decision

I cannot consider Miss L's complaint which RSA responded to on 3 February 2024.

My final decision is that I don't uphold Miss L's complaint which RSA responded on 4 July 2024.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L and Mr L to accept or reject my decision before 16 May 2025.

Geraldine Newbold
Ombudsman