

The complaint

Mr W and Mrs W have complained about how Royal & Sun Alliance Insurance Limited (RSA) recorded claims under a home insurance policy.

What happened

Mr W and Mrs W contacted RSA to make a claim under the home emergency part of their policy to deal with rats in their home. When they were later sent the home insurance renewal documents, Mr W and Mrs W found that the four visits to deal with the rodents had been recorded as four separate accidental damage claims.

Mr W and Mrs W complained because they said there had been one claim with multiple visits. They said it was inaccurate to record it in this way and that it had affected their home insurance premium with RSA and their ability to get quotes from other insurers.

When RSA replied, it didn't uphold the complaint. It said the claims had been recorded correctly and hadn't affected the no claims discount. It said different insurers might differ in their approach to previous claims and that the renewal premium it offered was no more expensive than the equivalent new business price.

As Mr W and Mrs W didn't agree with RSA, they continued to ask it to look at the full details of their complaint. RSA later sent another response to the complaint. This said it would remove the previous claim entries and record the claims as a single claim. It said it would also apply an endorsement to the paperwork to explain the correct information and offered £300 compensation as a goodwill gesture. RSA also confirmed that the no claims discount and the premiums hadn't been affected by the way the claim had been recorded.

When Mr W and Mrs W complained to this service, our investigator didn't think RSA needed to do anything further. He said RSA had now made a fair offer in response to the complaint by updating databases with the correct information and offering £300 compensation.

As Mr W and Mrs W didn't agree, the complaint was referred to me.

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 don't require RSA to take any further action. I will explain why.

I'm aware of Mr W's strong views about this complaint and have considered all the information provided. I've focussed on what I consider are the key issues in order to make a fair and reasonable decision. If I don't refer to something, it doesn't mean that I haven't thought about it or considered it. I should also note that complaint handling isn't a regulated activity and I also can't tell a business how it should operate. My role is to look at individual complaints, which is what I've done here.

Mr W and Mrs W were concerned that what they thought was one claim under the home emergency part of their policy was recorded as four separate accidental damage claims. RSA initially said the way the claim was recorded was correct. I can understand why Mr W and Mrs W were concerned by the first response to their complaint and were of the view that it didn't properly address the issues raised. Following Mr W and Mrs W continuing strongly to argue this was incorrect, RSA looked again at what happened and agreed to record it as one claim and to update external and internal databases. If RSA hadn't already agreed to take this action, this is what I would have required it to do. This is because, in terms of the claims, this put Mr W and Mrs W in the position they should have been, which was that there was one claim with multiple visits.

I'm aware Mr W and Mrs W were concerned by the level of effort they put in to get RSA to fully consider their complaint. Looking at the response to the first complaint, I can understand they didn't think the complaint had been properly understood or investigated. When RSA responded to the second complaint, although I think the action it agreed to take was fair, I think the response could have been clearer and better explained why its position had changed on how the claims would be recorded. I'm also aware Mr W and Mrs W have said, for example, that the second response to the complaint should have said that the infestation was one continuous event. But the RSA response did say that it would be recorded as a single claim and that it would also apply an endorsement that said this.

I'm mindful Mr W has said he put in hundreds of hours to pursue his complaint. I don't doubt Mr W continuing to pursue the complaint led to RSA looking at the complaint again and affected its position on the claim. I'm also aware Mr W and Mrs W were given referral rights to this service when RSA responded to the first complaint. Mr W explained to this service that he needed to continue to pursue the complaint with RSA to ensure he had a clear understanding of what he was challenging and his reasons for this. Although I accept Mr W thought the amount of time he put into the complaint was necessary, I think the £300 compensation offered by RSA was reasonable in the overall circumstances and is in line with what I would have required RSA to pay.

Mr W and Mrs W have said four claims being recorded led to an increase in their RSA premium. RSA checked whether the claims had affected the renewal premium and confirmed it didn't. Mr W and Mrs W have also said the four claims affected their ability to get other quotes and the premiums offered. I've looked at the screenshots Mr W and Mrs W provided of other quotes. Different insurers will take into account different information in order to calculate a premium. Some consider previous claims and others don't. Insurers might also consider the same risks differently to each other and also have a different way to calculate a premium. Even for like for like cover, different insurers might charge very different premiums and some might not be willing to offer cover at all. The information I've seen doesn't persuade me that RSA listing the four claims was a key factor in whether Mr W and Mrs W could obtain cover elsewhere and the cost of other policies.

I'm aware Mr W and Mrs W have also said they were able to get an online quote for a policy through the same brand name their existing policy was under for about £100 less. They have said they were then told by RSA that, because of the claims, the only cover it was willing to offer was under the existing policy. However, I don't think I can fairly say that Mr W and Mrs W lost out because of this, as I haven't been able to compare the policies to see whether they provided the same level of cover, had the same excess and a range of information to see if they were like for like policies. Again, the information I've seen doesn't show me that the four claims was a key factor. There are a number of reasons and variables that can affect the cost of a policy.

Having considered the full circumstances of this complaint, I don't require RSA to do anything further in relation to it.

My final decision

For the reasons I have given, it is my final decision that Royal & Sun Alliance Insurance Limited doesn't need to do anything further in relation to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W and Mr W to accept or reject my decision before 18 September 2023.

Louise O'Sullivan
Ombudsman