

## **The complaint**

Mrs A is unhappy with Royal & Sun Alliance Insurance Limited's (RSA's) decision to decline her insurance claim. Mrs A is represented by Mrs H.

## **What happened**

Mrs A has a landlord insurance policy with RSA for a property that she rented out. Unfortunately, it came to light that the tenants – or their associates – had used the property to cultivate illegal drugs, causing damage in the process.

Mrs H submitted a claim for the damage, but RSA declined it. They said the property hadn't been inspected with the regularity expected under the policy and that adequate bank details hadn't been obtained – another condition which can affect the claim outcome.

Mrs H didn't think that was fair. She said the property had been inspected as best it could at the time (which included Covid lockdowns) and that the policy conditions were onerous.

An investigator here said RSA had acted in accordance with the policy terms and that the claim outcome was reasonable. Mrs H didn't agree, so the matter 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.

I'm sorry to disappoint Mrs H but I agree that the claim was considered fairly. That's not to say I don't have any sympathy for the situation. Mrs H has explained that the property had been a much-loved family home and that they were devastated to find it in the condition it was left in.

But my role is to determine whether or not RSA have applied the terms and conditions of the policy, although I may consider extenuating circumstances if they exist – such as the lockdown restrictions which were in place around the time. But having done so, I'm still of the view that RSA was fair, even if it doesn't seem that way to Mrs H.

First of all, the policy terms state that internal and external inspections should be carried out every three months, and that bank details should be recorded and verified by receipt of at least one payment from them. RSA says Mrs H hadn't complied with either of these terms, and that such a failure may result in the claim not being paid.

Mrs H has referred to the difficulties with Covid lockdowns which began in March 2020, but the property had been rented out since April 2019 and the only 'full' inspection was carried out in July 2019. So, the conditions weren't being met even before the lockdowns. Further, the damage wasn't discovered until September 2021 and there were several occasions during that period where restrictions had been lifted.

I take Mrs H's point that she still visited the property and on some of those visits was able to

see inside, either through windows or through the front door. But I don't consider that to satisfy the policy requirement of an internal inspection. I believe the reason for these conditions are, in the main, to deter errant tenants from illegal activities and to ensure, if they do start, then the damage is caught before it escalates significantly.

I also appreciate Mrs H has described herself as vulnerable and that the risk of contact with others meant she had to be more careful. But she could have arranged for someone else to carry the inspections out for her or, if that wasn't possible, she could have discussed things with RSA when those difficulties were apparent – to see if any other options were available, such as video inspections.

Unfortunately, I can't see that Mrs H did any of that, so RSA wasn't able to manage the risk it was covering. So that's why they were entitled to decline the claim.

I've not really mentioned the bank statements as part of my consideration, because the inspections are the main issue here. And Mrs H says she's been told by letting agents that bank details are no longer requested by them. But it was another policy term which hadn't been adhered to and these things are important.

Overall, I consider the policy terms to have allowed RSA to decline the claim and I don't think those terms were applied too strictly in the circumstances.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 9 November 2023.

Will Weston  
**Ombudsman**