

## The complaint

Mrs G complains that Royal & Sun Alliance Insurance Limited T/A More Th>n won't refund the building insurance premiums that she paid from September 2016 to December 2017.

## What happened

The background to this complaint and my initial conclusions were set out in my provisional jurisdiction decision dated 1 August 2023 – a copy of which is set out here. In my provisional decision I explained why I didn't intend to uphold Mrs G's complaint. I said:

### ***"What happened***

*Mrs G's husband held home insurance with More Th>n for a significant period of time. When he passed away, his will permitted Mrs G to live in his property provided she insured it. But it remained owned by Mr G's estate. As a result of what the will said, Mrs G took over the insurance policy her husband had held with More Th>n. And she's been purchasing home insurance for this property with More Th>n each year since 2011.*

*In December 2017, More Th>n spoke with Mrs G about her buildings insurance policy. During that discussion More Th>n became aware that Mrs G wasn't the legal owner of the property in which she was living. So, it informed her she couldn't insure the building in her name.*

*On 15 December 2017, More Th>n ended Mrs G's buildings insurance policy with it. And, on 19 December 2017, it wrote to Mrs G confirming its reasons formally why she couldn't insure the building. It also explained that it would issue a refund of just over £462, which comprised the unexpired part of the buildings insurance policy.*

*Mrs G wasn't happy that she'd been paying for buildings insurance since 2011. And in May 2022, she wrote to More Th>n requesting a refund of premiums paid from 2011 until September 2017. Mrs G said More Th>n didn't respond. So, on 8 June 2022, she complained about what had happened.*

*More Th>n issued its final response to Mrs G's complaint on 14 July 2022. It explained that it wasn't going to comment on the circumstances relating to why buildings insurance cover was removed because this had been the subject of separate complaints made by Mrs G in 2018 and 2019. So, it focused its response on Mrs G's request that it refund premiums paid between 2011 and 2017.*

*More Th>n didn't uphold Mrs G's complaint and declined to refund any further premiums. It stated it had provided insurance in good faith and had believed Mrs G had held an insurable interest in the property. Additionally, it said it had acted correctly in removing cover when it became aware that Mrs G didn't own the property. And it stated no refund was due because Mrs G had claimed under the policy for storm damage during 2012, 2014, 2016 and 2017. So, she'd benefited from the policy.*

*As Mrs G was dissatisfied with how More Th>n had dealt with her complaint, she referred it*

to our service. We received her complaint in August 2022.

Mrs G stated that she wanted recognition of the errors made by the solicitors that had drafted her late husband's will. She said the will contained a provision requiring her to insure the property in which she was living, which wasn't correct. And she said this had led to More Th>n providing insurance which it ought to have known was an error on its part. She wanted us to direct More Th>n to refund all premiums paid from 2011 to September 2017.

Our investigator looked into Mrs G's complaint and decided our service couldn't consider the merits of her concerns about More Th>n's decision not to refund building insurance premiums paid from 2011 to 2016 because these were time-barred. But they thought we could look into Mrs G's complaint about the premiums she paid from 2016 until 2017 when the buildings insurance was removed by More Th>n.

When our investigator looked into the unrefunded premiums from 2016 to 2017, they recommended upholding Mrs G's complaint. In their view, they stated that because Mrs G wasn't able to hold buildings insurance she wasn't the correct policyholder. And they thought this meant that More Th>n wasn't at risk of paying a claim as a result.

Our investigator also acknowledged that there were claims made by Mrs G in 2016 and 2017 – although the claim costs for 2016 and 2017 were less than the premiums paid. Overall, they thought More Th>n should resolve Mrs G's complaint by issuing a refund of the building insurance premiums for 2016 and 2017 minus the cost of any claims made during those years.

Mrs G disagreed with our investigator's view on the merits of this complaint and More Th>n didn't confirm its position. I've therefore been asked to decide how this complaint should be resolved.

### **What I've provisionally 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'll start by reminding More Th>n and Mrs G of my previous decision, which related to whether we had jurisdiction to consider a complaint about unrefunded building insurance premiums.

In my jurisdiction final decision I said that our service could consider whether More Th>n's decision not to refund the premiums Mrs G paid for buildings insurance from September 2016 to December 2017 (when the policy was removed) was fair and reasonable.

In determining whether More Th>n should refund premiums paid for buildings insurance, I've taken into account what the parties knew about the need for cover while the policy was running, I've taken into account that the policy did operate to deal with claims during the time cover was in place and I've thought about whether it made an error in providing a policy between September 2017 and December 2017.

As I explained in the background to this complaint, Mrs G's buildings insurance policy with More Th>n ended on 15 December 2017. This was after a discussion between Mrs G and More Th>n at around that time. More Th>n states that, as a result of that discussion, it became aware that Mrs G wasn't the legal owner of the property in which she was living. So, it informed her that she couldn't insure the building in her name. I'm satisfied that the approach that More Th>n took here was correct.

*I've seen no evidence that either More Th>n or Mrs G were aware that she wasn't the legal owner of the property prior to the discussion that took place in December 2017. So, I can't fairly conclude that More Th>n ought to have removed the buildings insurance policy prior to 15 December 2017. It had no reason to know, or believe, that Mrs G didn't have a legal interest in the property in which she lived until the discussion in December 2017 took place.*

*The evidence our service has seen persuades me that More Th>n provided buildings insurance to Mrs G in good faith based on the information it knew at the time that cover was provided. More Th>n continued to provide the policy at the request of Mrs G. It only stopped offering that once it was given updated information, More Th>n had offered cover and paid out on claims prior to that. It follows that I can't direct More Th>n to refund the building insurance premiums Mrs G paid as she'd like me to.*

*More Th>n has also shared records with our service that show Mrs G reported claims under her building insurance policy for storm damage to her property in 2016 and 2017. There were earlier claims too.*

*I can see that the 2016 claim was reported to More Th>n on 7 February 2016. As this claim was made under the policy that commenced on 29 September 2015, I've not taken this claim into account as it's time barred in line with my jurisdiction decision.*

*On 4 September 2017, Mrs G reported a further storm claim to More Th>n. This claim was made under the policy that commenced on 29 September 2016. So, it's something I have taken into account as part of Mrs G's claims history during the period that's relevant to this decision.*

*Because Mrs G reported a property insurance claim to More Th>n within the period I'm considering, she's had the benefit of cover in her name under the buildings insurance part of her home insurance policy irrespective of whether the claim was settled in her favour. I don't agree with our investigator's view that More Th>n wasn't at risk of paying a claim because Mrs G wasn't able to hold buildings insurance and wasn't the correct policyholder. I say this because I haven't seen any evidence to demonstrate that More Th>n wouldn't have settled a claim under the building insurance policy. Given it considered claims over the years, this persuades me it thought it was on risk during the time Mrs G held building insurance with it. It follows that I can't fairly direct More Th>n to refund the building insurance premiums Mrs G paid from September 2016 to September 2017.*

*I think it was fair for More Th>n to keep the premium as it had provided cover and would have dealt with any claims made. I think More Th>n acted fairly and reasonably when it provided cover and with the refund it gave Mrs G.*

*I know that Mrs G will be disappointed with what I've said. But, for the reasons set out above, my provisional decision is that I am not minded to uphold this complaint."*

*In my provisional decision I invited both parties to respond with any additional information they wanted me to consider before I made my final decision, which is our service's last word on the matter.*

*When Mrs G responded to my provisional decision she stated that disagreed with my assessment of her complaint. She explained that she had been the victim of malpractice by More Th>n and the solicitors who'd drafted her late husband's will. She didn't think I'd given that proper consideration.*

*Much of Mrs G's response to my provisional decision was directed towards my previous decision on jurisdiction. She refuted that restricting her complaint to the period I had, in line*

with my jurisdiction decision, was fair and reasonable. She stated that, in doing so, I was prejudicing her ability to advance her complaint about matters that had arisen prior to September 2016. And, in doing that, Mrs G said I was attempting to coerce her and deliberately altering the facts of her case.

As regards the merits of Mrs G's complaint she said she didn't have the benefit of cover because she shouldn't have been sold insurance by More Than in the first place. While she conceded she'd made claims she explained that only one claim under her buildings insurance policy had been upheld. So, she refuted that she'd had the benefit of cover in her name under the buildings insurance part of her home insurance policy during the period I'd decided our service could consider.

At the conclusion of Mrs G's representations to my provisional decision, she asked me to rescind my previous decision on jurisdiction and expand the period I'd decided we could look at from 2011 to 2017 on the basis that she believed there were extenuating circumstances to enable me to do so.

More Than's response to my provisional decision explained that it had insured the building in which Mrs G lived in good faith during the time the policy was live. It said it had become aware of Mr G's death in 2011 and had, at that stage, transferred the policy into Mrs G's name. It stated there were no records confirming that ownership of the property had been discussed at the point of the policy transfer. And it said this issue was only raised in 2017 when More Than was notified, by a third party, that Mrs G didn't own the property she was insuring. At that point, More Than said it took action to discuss and remove the buildings insurance cover.

More Than stated that Mrs G had been on risk throughout the time her buildings insurance had been provided by it and said it would have honoured any validated claims that had been made under the buildings policy. It also explained that it wouldn't have asked, or expected, Mrs G to repay a settled claim, had a payment been made, because of the property ownership issue. And More Than sought to rely on a number of legal precedents relating to insurable interests to argue that Mrs G had an insurable interest in the property because she was living there.

### **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'd like to remind Mrs G that I issued a decision on jurisdiction on 12 July 2023. This decision set out in detail why I didn't think our service could consider issues arising from 2011 to September 2016 because they were time barred. I also explained that I had considered whether we could have set aside our time limits but I hadn't seen any evidence demonstrating that there were any exceptional circumstances from bringing her complaint to our service sooner. I'd like to reassure Mrs G that her representations to my provisional decision on this issue don't contain any information of which I was previously unaware.

In my jurisdiction decision I also explained clearly why our service could investigate issues arising from September 2016 to December 2017, when the policy ended. But I stated the complaint would be restricted to this period only.

My jurisdiction decision also addressed Mrs G's complaint about the way in which her late husband's will was drafted by the solicitors he instructed and the advice she subsequently received from his lawyers. I explained why this service couldn't consider complaints against

solicitors and that the Legal Ombudsman was the correct service to direct concerns about that issue.

My jurisdiction decision was a final decision because I'd agreed with our investigator's view on jurisdiction. So, unlike with a provisional decision, any information provided to our service after the final decision was received by Mrs G and RSA wouldn't change the outcome of that decision. This was explained by our investigator after Mrs G sent representations about my jurisdictional decision. This might explain why I issued my provisional decision on the merits of Mrs G's complaint shortly after she responded to my jurisdictional view.

I know Mrs G feels I've ignored the comments she shared with our service. However, I'd like to assure her that anything relating to the merits of the complaint that was within jurisdiction was taken into account before I wrote my provisional decision.

Turning to representations about the merits of this complaint insofar as they relate to what happened from September 2016 to December 2017, I remain satisfied that neither More Th>n nor Mrs G were aware that she wasn't the legal owner of the property prior to the discussion that took place in December 2017. So, I can't fairly conclude that More Th>n ought to have removed the buildings insurance policy prior to 15 December 2017. There's no evidence that it had reason to know, or believe, that Mrs G didn't have a legal interest in the property in which she lived until the discussion in December 2017 took place.

I remain persuaded that More Th>n provided buildings insurance to Mrs G in good faith based on the information it knew at the time that cover was provided. It continued to provide the policy at the request of Mrs G and only stopped offering that once it was given updated information. I don't think it made an error.

Mrs G claims she didn't have the benefit of cover under her buildings insurance but, during the period our service can consider, she reported a claim to More Th>n which it considered. Even if that claim wasn't settled in Mrs G's favour More Th>n was at risk of paying a valid claim from September 2016 to December 2017. There's no evidence to indicate it wouldn't have settled a valid claim during that period. And More Th>n's response to my provisional decision provided further reasons and case law to evidence why it considered Mrs G to have had an insurable interest in the property she insured. It follows that, as Mrs G had the benefit of cover, More Th>n can fairly retain the building insurance premiums she paid.

I'm sorry to disappoint Mrs G but she hasn't presented any new arguments or evidence that persuades me that More Th>n acted unfairly in keeping the premium paid from September 2016 to December 2017. I remain persuaded it acted fairly and reasonably when it provided cover and in the refund it gave Mrs G.

In the overall circumstances, I remain persuaded that this complaint shouldn't be upheld. This now brings to an end what we, in trying to resolve Mrs G's dispute with More Th>n informally, can do for her. I'm sorry we can't help Mrs G any further on this.

### **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 Mrs G to accept or reject my decision before 3 October 2023.

Julie Mitchell  
**Ombudsman**