

## **The complaint**

Mr S is unhappy that Royal & Sun Alliance Insurance Limited (RSA) declined his claim and terminated his policy.

## **What happened**

Mr S had contents insurance underwritten by RSA. He claimed under the policy after a paint tin was accidentally knocked off a stepladder, spilling paint on his sofa and carpet. He provided RSA with photos of the paint spillage before and after his attempt to clean it up.

RSA arranged an inspection, but the appointment didn't go ahead. RSA said its agents couldn't get hold of Mr S at the agreed appointment time. So, the claim investigation was carried out by phone and desktop review of the photos.

On review of the evidence and Mr S's responses, RSA declined the claim. Its experts' reports said the damage wasn't consistent with Mr S's description of the event, and they provided a detailed explanation of why.

RSA told Mr S that it had declined his claim and terminated his policy under the fraud condition.

Unhappy with its decision, Mr S complained to RSA. He said RSA hadn't investigated his claim appropriately because it was based on a desktop review. So Mr S wanted RSA to accept his explanation of how the damage had happened and, in turn, accept his claim.

RSA gave Mr S another opportunity to provide evidence to support his claim, but he said the photos were all he had. RSA issued its final response to Mr S's complaint stating it had applied the fraud condition in line with the policy, which allowed it to decline the claim and terminate the policy.

Mr S was unhappy with RSA's response, so he brought his complaint to us.

Our investigator didn't think RSA had done anything wrong. She said RSA had carried out an appropriate investigation, and it had declined the claim and terminated the policy in line with the policy wording.

Mr S didn't agree, and he asked for an ombudsman 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 not to uphold Mr S's complaint. I'll explain why.

### **Claim**

Mr S complained that RSA declined his claim. RSA said it declined the claim because the damage wasn't consistent with Mr S's description of how it happened.

I've looked at the three reports RSA provided, the photos Mr S provided, and his description of how the paint spillage happened. The reports all indicate that the paint damage would be a different pattern and more extensive than shown in the photos. I found the arguments made within the reports compelling.

I note that RSA asked Mr S to explain more about the accident, such as where the paint tin lid landed, and how the paint dripped from a protruding cushion onto the kickboard. I think it was reasonable for RSA to give Mr S an opportunity to provide a response to these technical opinions before it reached a decision on the claim. However, the evidence suggests that Mr S didn't provide RSA with any answers.

On balance, I'm satisfied that the evidence supports RSA's decision to decline the claim because of the various technical opinions that the damage was not consistent with Mr S's description of the damage, as well as Mr S being *“unable to provide satisfactory explanations for the discrepancies in [his] account of how the damage occurred”*.

I see no reason to require RSA to reconsider the claim. However, I should point out that RSA offered another review if Mr S had any further evidence to provide which might support his claim. I think that's a fair offer in the circumstances, and one which Mr S may wish to consider.

### **Desktop review**

Mr S didn't think RSA's desktop review was sufficient to identify whether the damage was consistent with his explanation of the event. RSA said it arranged an inspection, but Mr S wasn't available.

RSA's record of the claim shows that it tried to contact Mr S twice on the appointed day but without success. I have no reason to doubt the record. That said, I don't think this is material to the complaint. That's because Mr S's photos of the damage were enough for RSA's experts to reach a conclusion.

I understand Mr S will be disappointed that RSA declined his claim without assessing the damage in person. But, looking at the photos, I'm persuaded that they show enough to confirm the lack of paint spatter or more extensive damage referred to in the expert reports. Therefore, I find the expert reports credible, and RSA reasonably relied on the conclusions to decline the claim.

In summary, I'm satisfied that the evidence indicates RSA's desktop review was enough to reach a fair conclusion. And I'm satisfied it was fair and reasonable to do so in these circumstances as RSA had been unable to review the damage in person for reasons outside its control.

## Terminated policy

Mr S is unhappy that RSA terminated his contents insurance policy. He says RSA also cancelled other policies he had with it. RSA said it terminated the policy in line with the fraud condition, which is set out in the policy booklet.

The policy states:

### **4. FRAUD**

*If you, your family or anyone acting on your behalf:*

- a. Makes any false or fraudulent claim*
- b. Makes any exaggerated claim*
- c. Makes a claim for loss or damage which the insured or anyone acting on the insured's behalf deliberately caused we will:*
  - i. Refuse to pay the whole of the claim; and*
  - ii. Recover from you any sums that we have already paid in respect of the claim*

*We will also notify you if we will be treating the policy as having terminated. The policy will be terminated with effect from the date of the earliest of any acts set out in (a) – (c) above. In that event, you will:*

- Have no cover under the policy from the date of termination; and*
- Not be entitled to any refund of premium*

RSA told Mr S that it didn't think the damage had happened how he described. In the absence of any evidence to contradict its conclusion, RSA said Mr S had made a false claim. As shown above, the policy allows RSA to decline the claim and notify Mr S if it is going to terminate the policy. Therefore, I'm satisfied that RSA acted in line with the policy.

I've looked at the evidence to determine whether there's anything to suggest RSA applied this term unfairly in the circumstances. As RSA gave Mr S opportunity to explain the event further, which he didn't take, I'm satisfied RSA's decision to terminate the policy was fair and reasonable in the circumstances.

Based on the overall circumstances, the evidence persuades me that RSA declined Mr S's claim and terminated his policy fairly and reasonably for the reasons it gave, and in line with the policy.

For clarity, that does not mean I've decided Mr S made a false claim – I'm simply saying the evidence indicates RSA made a fair decision about his claim based on the evidence available.

Therefore, I see no reason to require RSA to do any more.

As a final point, Mr S said RSA cancelled another of his policies. As it's a different type of insurance, he'd need to raise that as a separate complaint and give his insurer the opportunity to respond. I haven't taken this into consideration when reaching my decision.

**My final decision**

For the reasons I've given, my final decision is that I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 20 December 2023.

Debra Vaughan  
**Ombudsman**