

The complaint

Mr W complains about how Royal & Sun Alliance Insurance Limited (“RSA”) dealt with a claim he made on his caravan insurance policy.

What happened

Mr W has a comprehensive caravan insurance policy with RSA.

Unfortunately Mr W’s campervan was stolen during the night in September 2022. Mr W says his campervan was stolen from outside his home address. He reported the theft to RSA.

RSA declined the claim on the basis the vehicle was parked outside his house for five nights, whereas the policy conditions only permit it to be parked away from a secure storage facility for two nights. Mr W isn’t happy about this because the campervan was being used whilst it was parked outside his home. He says it was being cleaned, repaired, and slept in during the course of those five days, after which he was going away in it again.

Mr W says because he slept in the campervan on 22 September this counts as the campervan being ‘in use’ as per the terms of the insurance policy. And so his campervan was outside his home within the permitted 48 hours prior to the next trip. Mr W also complains that the policy is unfair and incorrect.

Mr W complained to RSA. RSA said since the caravan was parked on a street near his home from 20 September 2022 to 25 September 2022. It said the policy allows the vehicle to be parked at an alternative location for up to 48 hours. It referred to the policy and said when the caravan is not in use it should be parked in the storage location. RSA said had Mr W contacted it to request an extension to the temporary storage, as per the terms of the policy, the request would have been declined on the grounds of security.

Mr W didn’t agree so he referred his complaint to this service. One of our investigators looked into things for him. He said he thought RSA didn’t act unreasonably or unfairly in declining the claim given the terms set out in the policy.

Mr W didn’t agree. He said because the campervan was stolen within the 48 hours before he was due to go away he was permitted to park the van near his house by the terms of the policy.

Mr W didn’t agree so the complaint has come 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.

The policy defines some of the key terms. It says ‘Use/Used’ is “*when the Motorhome is being used and occupied overnight for holiday purposes.*” The policy doesn’t define holiday and where terms aren’t defined we use the everyday meaning; so a holiday is an extended

period of leisure and recreation, especially one spent away from home or travelling. So I don't think Mr W's caravan was 'in use' at the time of the theft because it was parked on a street near his home which doesn't count as a holiday, even if he slept in it for one night during that period.

The policy says the caravan can be kept somewhere other than secure storage for up to 48 hours when being cleaned/emptied/loaded/serviced; either before or after being used. Mr W kept it on a street near his home for five days. He says it was being used, cleaned, serviced over the five days but as explained above I don't think it was. The policy doesn't allow the campervan to be parked somewhere other than the secure storage for periods over two days; unless the insurer has agreed it in advance. So the insurer would expect the campervan to be cleaned and emptied and serviced within the permitted two days, and then returned to secure storage thereafter.

Mr W maintains the campervan was stolen in the 48 hours prior to going away again – therefore permitted under the policy terms. But the campervan wasn't kept there for 48 hours as per the terms of the policy; the theft just happened to be in the 48 hours prior to the next arranged trip. It had actually been there for five days. The crux of the matter is – any period over two nights should have been checked and agreed with the insurer. It is for them to decide what risk to take on. The longer the caravan is parked on a street the more vulnerable it is, so the greater risk to the insurer.

I know Mr W will be disappointed with my decision. I have read his testimony about his intentions for the campervan and I empathise with the position he now finds himself in. But the breach in the terms of the policy allows the insurer to decline the claim. And that's what happened here.

So for the reasons explained above I think RSA has acted reasonably and within the terms of the policy. Despite being aware this outcome seems unfair to Mr W.

My final decision

For the reasons explained above I'm not upholding the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 29 September 2023.

Kiran Clair
Ombudsman