

The complaint

Mr M complains that Royal and Sun Alliance Plc (“RSA”) mishandled his home emergency insurance claim.

RSA appoint intermediaries to manage their home emergency claims, so any reference to the insurer within this decision should be read as including the acts and omissions of such intermediaries.

What happened

Mr M holds home emergency cover with RSA. He made a claim in November 2019 after his boiler had broken down, and an engineer was sent by RSA to investigate the fault.

Mr M says the engineer did not appear to be familiar with the type of boiler he had and seemed to have little knowledge of how it operated. The engineer concluded that there was a problem with one of the pumps that had started leaking and said that the problem with the boiler should be resolved upon replacing it. But Mr M did not think this was correct as he suspected it was an electrical problem and said that the engineer didn’t mention anything in this regard.

Mr M says he called RSA a day later and explained that he thought the engineer had misdiagnosed the problem and asked if they could send another engineer experienced in dealing with his particular model of boiler. But RSA refused this request as they considered their engineer’s diagnosis to be correct, so Mr M says he was forced to pay the policy excess for the replacement pump to be bought and fitted.

Mr M says the engineer returned to his property around two weeks later and fitted the pump with an inferior brand, and says there was also a spark when he tried to turn on the system which tripped the circuit board. It was only at this point that Mr M says the engineer suggested the fault could also be due to a faulty PCB board. However, RSA said they would not be able to replace this as well as it would then exceed his home emergency policy limit of £500.

Mr M complained as he said the engineer misdiagnosed the problem the first time round and left him with a boiler that still does not work. He says that if RSA had allowed him a second engineer’s opinion then their boiler would not be in the state of disrepair it is now.

RSA upheld Mr M’s complaint as they acknowledged that the claim could have been handled better. They offered to reimburse the cost his own engineer’s fees up to the policy limit of £500. But they said that this was on the proviso that his independent engineer had a different diagnosis to that arrived at by their engineer. If the same diagnosis was advised, then they said they would not reimburse Mr M’s fees. Unhappy with this, Mr M referred his complaint to this service.

Our investigator didn’t uphold Mr M’s complaint. He didn’t think RSA had acted reasonably by relying on their engineer’s advice as to the primary reasons for the fault, particularly when Mr M had not provided any independent evidence to show the initial diagnosis was incorrect.

And given that the repairs subsequently identified would exceed the policy limit, he didn't think RSA were obliged to cover these costs. Mr M disagreed, so the matter has been passed to me to determine.

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 it for the same reasons as the investigator.

I appreciate that Mr M doubted the competence of the engineer sent by RSA as well as the fact that he thought it was a leaking pump that was causing the issue rather than an electrical fault. And I understand that he wanted them to send another engineer to provide a second opinion. But RSA were not obliged to take any such action, as they had already sent an engineer to inspect the fault. And the fact that the engineer may have had to consult the manufacturer's manual does not necessarily mean he was not qualified to diagnose the problem or carry out a repair. So I'm not persuaded that RSA had sent an inappropriately qualified engineer to inspect the fault.

As outlined by the investigator, RSA are entitled to rely on the opinion of qualified experts when assessing an insurance claim. And in this instance, their engineer reported that

"...one of the pumps has started leaking, no way of getting heating back on had to drain down system as valves are corroded and not moving".

The engineer primarily concluded that a replacement pump was required to get the heating back on — seemingly over and above any other potential problems that may have been present such as a fault with the PCB board. I appreciate that Mr M feels that RSA had been given the wrong diagnosis from the outset, and that it was an electrical fault all along. But I have seen no independent expert evidence (such as an opinion from a different engineer) to suggest that RSA's diagnosis was incorrect and that a replacement pump was never needed to fix the fault with the boiler. So I don't consider there to be any reasonable basis for RSA to have to cover any further costs that fall over and above the policy limit.

I acknowledge that RSA said the claim could have been handled better. But they offered to reimburse Mr M the fees for appointing his own independent engineer if it could be shown that their diagnosis was incorrect, which I think is a reasonable compromise given there was nothing to cast doubt on their engineer's diagnosis other than Mr M's own opinion.

Mr M says he has since instructed an independent engineer who has said that the boiler is now beyond economical repair and needs replacing. If it could be objectively reported that the actions taken by RSA's engineer had actually damaged the boiler and had rendered it beyond economical repair, then I would expect the insurer to consider covering the cost of a replacement. But I haven't seen any such evidence in this case, so I can't fairly hold RSA responsible for this. However, Mr M may want to consult his home insurance policy to see if this will cover a boiler replacement.

So, I'm not persuaded that RSA have acted unreasonably by relying on the opinion of their appointed engineer, as I've seen no evidence to suggest that the engineer's diagnosis was wrong. And I'm also not persuaded that they have mishandled Mr M's claim to such an extent that any compensation is warranted in these circumstances.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 8 June 2020.

Jack Ferris
Ombudsman