

The complaint

Mr H has complained about the inadequate boiler services he received from Royal & Sun Alliance Insurance Plc (RSA) under his HomePlan policy.

References to RSA include its agents and contractors.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here. Instead I'll focus on giving the reasons for my decision.

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 considered all the evidence, our investigator's view on Mr H's complaint, and Mr H's response to her view, I don't consider that there is any significant dispute as to the factual background behind this complaint. RSA has accepted that Mr H received poor service over a number of years. I consider what is in issue is whether what RSA has offered to Mr H by way of compensation is reasonable. Mr H argues that it isn't.

I agree with the conclusion reached by our investigator for these reasons:

- Mr H and his family were without heating and hot water for approximately seven days because their boiler had broken down. It couldn't be repaired promptly because of the issue that was then identified with the flue which RSA's engineers had failed to identify on any previous visits. I can appreciate that being without heating and hot water would've caused considerable inconvenience, particularly as Mr H has a young family. Mr H also experienced stress from the various problems that arose with the arrangements to get the boiler repaired. I consider that this is a situation where compensation is appropriate. As the inconvenience and stress was for a relatively limited period of time, I consider that the £345 that RSA has offered is a fair and reasonable sum to reflect this.
- Mr H also says he and his wife were very concerned that for the previous seven years they'd been living with a gas boiler which was subject to possible toxic leaks. That wasn't a risk that existed after the boiler broke down. But they were concerned about what could've happened, whether or not that concern was justified. BG has said the family wasn't exposed to any danger. The flue gas analysis and CO2 readings its engineers took were within the manufacturer's guidelines, and the manufacturer had confirmed to it that the failure to change the flue connector wouldn't have exposed them to any danger.

- Whilst I don't wish to minimise Mr H's concern about what might have happened, I consider that to require RSA to pay compensation for something it failed to do in the past but which didn't give rise to concern at the time, would be more in the nature of a fine or penalty. Awards of compensation that this service can make aren't intended to fine or punish a business. This is the job of the business's regulator. We can award fair compensation that's a proportionate reflection of the impact a business's actions (or inaction) had on their customer. So I don't consider additional compensation is appropriate to cover this concern.
- RSA has accepted that its engineers failed to identify the absence of flue inspection hatches and that the flue connector had been recalled by the boiler's manufacturer so this could be replaced. Once these issues had eventually been identified, it made arrangements for the necessary remedial work to be undertaken by its engineers in conjunction with the manufacturer's engineers. In that respect, as soon as the problems were identified, it took steps to put things right.
- But before these steps had been completed, Mr H decided to replace his boiler as he wasn't prepared to risk the remedial work dragging on, as appointments with RSA and the manufacturer's engineers kept being rearranged. He wants RSA to pay for this. RSA has said that his existing boiler was repairable, so there was no need for Mr H to have purchased a new one. I consider that if there was no need for a new boiler, it would be unreasonable for me to require RSA to pay for a replacement.
- Mr H would like RSA to refund the full premiums he paid for his HomePlan policy from the date he took it out in September 2012. His policy provides cover not just for boilers (although I note that he says this was all he wanted the policy for), but also provides cover for central heating, plumbing, electrics, internal drains, water and gas supply pipes, taps and toilets. He's made a number of calls on the policy in addition to the annual boiler services, so he's had benefit from it. I therefore don't think it would be reasonable to require RSA to provide a full refund of his premiums. It's offered to refund to him that part of his premiums that it says relates to boiler cover which amounts to £360. As it's only RSA's service in relation to his boiler that Mr H has complained about, I think that is a fair and reasonable.
- I consider RSA's offer of £45 to cover additional heating costs whilst Mr H's boiler was out of operation is reasonable.
- Mr H has also asked that we ensure that RSA investigate why its contractors are not up to date with current gas requirements and require that it should review all its customers who could be at risk from the poor level of inspections. I'm afraid I can't address this part of Mr H's complaint as to require RSA to do this is outside the remit of this service.

My final decision

For the reasons I've given above, I'm not upholding Mr H's complaint, and don't require Royal & Sun Alliance Insurance Plc to do anything other than to pay Mr H the sum of £750 that it's already offered him if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 18 December 2020.

Nigel Bremner
Ombudsman