

The complaint

Ms D complains about the poor service she received from Royal and Sun Alliance Insurance PLC (RSA), following a claim under her home emergency policy.

What happened

Ms D owned a property that she rented out to tenants. The boiler broke down and RSA were contacted as she had a home emergency policy with them. It sent an engineer who advised that the pump had failed. But due to the costings to repair the boiler, RSA felt that it would be better for the boiler manufacturer (BM) to attend to assess the boiler. The BM attended and managed to fix the boiler. But soon after he had left, it broke down again.

Ms D contacted RSA again as she said that the boiler was leaking. But given the time of day, RSA were unable to send an engineer, so it said it would contact the BM in the morning. RSA contacted the BM who advised that the boiler had several failing parts and was deemed beyond economic repair (BER). RSA told Ms D, who raised a complaint based on the lack of information that she received from RSA as to why the boiler was deemed BER, delays and lack of updates.

Following this complaint, RSA sent the report from the BM to Ms D, which detailed why the boiler had been deemed BER. Soon after this, Ms D told RSA that she had instructed an independent engineer who had fixed the issues with the boiler having paid £252 for the repair. She also sent a report to RSA from the independent engineer that concluded that the boiler was in a good state and that parts were replaced which got the boiler working again.

RSA considered this report with the BM and concluded that the BM was the most knowledgeable about its boilers therefore their advice would be the best option for the long-term resolution of the boiler. RSA also found that Ms D's boiler hadn't been serviced and asked for proof of service which wasn't provided.

RSA accepted that its level of service wasn't up to its usual standard (regarding the delay and lack of updates) and for this it reimbursed Ms D's costs of £252, that she paid for the independent engineer's repair of the boiler. Ms D wasn't happy by this outcome as RSA also told her that it could no longer offer cover for the boiler. So, she referred a complaint to this service.

One of our investigators considered the complaint and concluded that the boiler appeared to have been repaired by a third party, and she didn't think it was fair for RSA to deny any future call outs that Ms D might have. She also said that she wouldn't be asking RSA to pay any further compensation, as it had covered the costs of the independent engineer.

Ms D agreed with our investigator's view. RSA did not. It said that although the third-party engineer completed repairs there was no evidence to confirm these were completed safely and in line with the BM's instruction or fitted the boiler with original parts. Also, it hadn't seen any service documentation or confirmation that this has been completed. Consequently, there was no evidence of the condition of the boiler and whether it was up to

the BM's standard. And it was unfair that RSA should be held liable for a boiler that was potentially unsafe and could break down again. So, it asked for a decision from an ombudsman.

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.

My provisional decision

I considered the complaint and I thought the complaint shouldn't be upheld. I issued a provisional decision on 9 August 2021 and asked both parties to send me anything else by 8 September 2021. In my provisional decision I said:

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of the complaint.

Having done so, I'm minded not to uphold this complaint. I realise this will be a disappointment to Ms D, but I hope my findings go some way in explaining why I've reached this decision.

I think there are two main aspects to this complaint. First, that the repair carried out by Ms D's engineer was done in accordance with the BM's instruction and that original parts were used in the repair. Second, Ms D hasn't provided any evidence of the condition of the boiler such as a service report.

RSA accepted that there had been some poor standards of service regarding the delay and not fully updating Ms D. For this it offered to reimburse Ms D's cost of the third-party engineer. RSA said that at times Ms D had called before it had had a chance to call her to provide updates. And I can see that there were attempts made to try and update.

In addition, RSA said that it had experienced an increase in calls over the recent weeks and the knock-on effect meant that there were delays caused. It recognised that this was an issue and I am satisfied that its offer of £252 is fair and in line with what I would've directed, had the offer not already been made. So, I won't be recommending further compensation for this. But RSA should confirm that this has been paid, if it has not then it ought to do so on production of the invoice from Ms D.

I have next looked at the whether the repair carried out by the third-party engineer was done in accordance with the BM's instructions, using the original parts.

RSA said that although it didn't dispute that the engineer Ms D used was reputable, there was no information that the repair was carried out in accordance with the BM's instructions. I have considered the report from that engineer and there is no indication within it that the repair was carried out according to the BM's instructions.

In the policy exclusions, it confirms that boilers or any system equipment will be excluded from cover if it hasn't been properly maintained, serviced or repaired in accordance with the manufacturer's instructions. If Ms D is able to provide a detailed expert report that confirms that the repair was carried out in accordance with the BM's instructions, then I will consider this. But as the evidence currently stands, there is no information that supports this.

Consequently, I don't think RSA were unreasonable to refuse to carry out future repairs without this information.

RSA said that Ms D confirmed that she had not had the boiler serviced and this was endorsed by the BM who noticed that the boiler hadn't been recently serviced. So, I'm not satisfied that it was unreasonable for RSA to rely upon the exclusion clause, when it concluded that it was unable to continue to cover the boiler under the policy.

Finally, RSA instructed the BM for a second opinion. It said it did this to ensure that the works were completed within a time and cost-effective manner and most importantly in line with the BM's instruction. The BM concluded that it wasn't possible to carry out a repair, due to the condition of the boiler and the costs to repair it to meet the installation requirements.

I'm satisfied that the BM are experts and of course the manufacturers of the boiler, so it is best placed to provide expert evidence regarding its assessment that the boiler was BER. I appreciate that the third-party engineer got the boiler working. But I don't think it's fair that RSA should be responsible for a potentially unsafe boiler that the BM deemed BER, with no evidence from Ms D that the parts replaced were sufficiently fitted to the BM's instructions or that the boiler itself had been serviced. For these reasons, I'm persuaded that RSA shouldn't provide cover for the boiler, in the absence of this evidence.

Responses to my provisional decision

Ms D responded and said that:

- Her boiler had been serviced every year and our service should contact her letting agents to obtain the certificates of service.
- She didn't think it was fair that our service hadn't made contact to the independent engineer that she instructed to repair her boiler. So, she felt that our service was taking the side of the BM and RSA.
- RSA made no attempt to contact Ms D and she was always contacting RSA.
- I hadn't recommended any further compensation from RSA and so she was only getting back what she had paid out. Especially as she felt that RSAs engineers were too lazy to repair her boiler.
- She concluded that her boiler shouldn't be excluded from cover.

RSA had no further comment to make regarding the provisional decision.

I have further considered Ms D's responses. I should point out that we look at the evidence provided by both parties, to give an answer to the complaint, that is both fair and impartial. Ms D was invited to provide any further evidence that she wished to be considered, which would include (but not limited to) proof of service of the boiler and a report from the independent engineer who she instructed to repair her boiler. Ms D has not provided any further evidence to support her complaint.

As I mentioned in the provisional decision, I am satisfied that the BM are experts and of course the manufacturer of the boiler. So, I think it is best placed to provide expert evidence of its assessment of the boiler. Ms D has said that the boiler is now working. But she has not provided any expert evidence that could refute what the BM had said. In the circumstances, I don't think it's fair that RSA should be held responsible to cover a boiler, that the BM had deemed BER.

I am also satisfied that RSA's recognised the poor service that Ms D experienced relating to the delays and its offer of £252 compensation was fair. I accept that the compensation

effectively reimbursed Ms D's costs that she incurred to repair the boiler. Nonetheless, the amount would've been in line with what I would've directed (had the offer not already been made) and I won't be asking RSA to increase the compensation.

Taking everything into account, whilst I understand how disappointed Ms D will be, I'm not satisfied that RSA acted unreasonably by not providing cover for the boiler. And I think the £252 compensation that RSA paid for the inconvenience it caused is fair. So, I won't be asking RSA to do anything more to resolve this complaint.

My final decision

For the reasons I explained, I think the compensation of £252 that Royal and Sun Alliance Insurance has already paid, for the inconvenience it caused, is fair and reasonable.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D to accept or reject my decision before 7 October 2021.

Ayisha Savage
Ombudsman