

## **The complaint**

Mr S complains about the service provided by Royal & Sun Alliance Insurance Limited (RSA) when he made a claim on his home emergency insurance policy.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts about what happened aren't in dispute, so I'll focus on giving my 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 done so, I agree with the conclusions reached by the investigator for largely the same reasons.

The core of the dispute here is if Mr S relied on the information provided to him in the call with RSA about the reimbursement of £500 to purchase a new boiler. There is no dispute that things could have been communicated better during the claim process, but I need to be satisfied that this was the sole reason Mr S decided to replace his boiler.

The terms of the policy are clear in respect of maintaining the boiler, they say:

***“ANNUAL SERVICING OF THE MAIN HEATING SYSTEM***

*Loss of heating as a result of complete failure or breakdown of the main heating system unless the main heating system has been maintained by a registered tradesman providing certification or other proof of service within the last 12 months.”*

I think it's clear that the policy terms set out the policy doesn't provide cover in a situation where the boiler isn't serviced or maintained. I also think Mr S was aware of the need to ensure his boiler was maintained in line with the terms. I say this because I have seen a service record for Mr S's boiler, and I can see it was being serviced annually up to 2017. Mr S said the boiler was also serviced in 2018 but this was not recorded. The following year the service was missed due to the engineer not attending and Mr S not getting around to arranging another engineer. And it was also missed in 2020 due to the pandemic.

So I think it wouldn't have been unreasonable for RSA to have decided not to cover the claim from the beginning when Mr S reported a fault with the boiler in November 2020. I can see from RSA's notes an engineer visited Mr S on three occasions to try and repair the issues, even though the boiler didn't meet the servicing term in the policy. It was eventually decided by RSA that the boiler was beyond economical repair. So I don't think RSA acted unfairly in the way it dealt with Mr S's claim for the repair of the boiler.

Mr S was aware of the issues with the boiler and initially queried why it was regarded as beyond economical repair. He was told it was considered beyond economical repair due to

the lack of maintenance and servicing. In the call with RSA, Mr S questioned if he would still be entitled to the contribution even though he didn't have the right service history, so it seems he was aware not having maintained the boiler could have an impact on his claim.

I note Mr S was given the incorrect information during the call to say there would be a contribution from RSA and this may have played a part in him deciding to replace the boiler rather than repair it, but I don't think this was the main reason. The engineer reported that due to the level of rust and dirt in the system, which indicated the poor maintenance and service of the boiler, it didn't make a repair a sensible option. Also any repair to the boiler after it was deemed beyond economical repair would have meant Mr S would no longer be covered under the policy.

So, I think Mr S decided to replace the boiler due to the ongoing issues he was having with it rather than solely because RSA had said it would contribute towards a new boiler.

As I mentioned things could have been communicated better to Mr S during the claim. RSA have acknowledged that it shouldn't have said it would contribute towards Mr S's new boiler as he didn't meet the servicing and maintenance requirement under the policy. RSA have offered Mr S £25 compensation for the inconvenience caused.

I've noted that RSA did send out an engineer on a number of occasions when it didn't need to and it is ultimately Mr S who will have benefitted from the new boiler and the continued coverage the policy would provide. I've thought about the impact of this on Mr S overall and I recognise the experience would have been frustrating for him. But awards for distress and inconvenience from this service are generally modest. It isn't the role of this service to punish businesses. So I think the amount offered is fair and generally in line with amounts awarded by this service for similar cases.

I understand Mr S will likely be disappointed with my findings. But, in the circumstances, I'm satisfied RSA's offer of compensation is fair and reasonable.

### **My final decision**

Royal & Sun Alliance Insurance Limited has already made an offer to pay £25 to settle the complaint and I think this offer is fair in all the circumstances. So my decision is that Royal & Sun Alliance Insurance Limited should pay Mr S £25 if it hasn't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 2 March 2022.

Jag Dhuphar  
**Ombudsman**