

The complaint

Mrs J complains about Royal & Sun Alliance Insurance Limited ("RSA") for the way her emergency repair was handled. She wants a refund of her payment for an upgraded replacement tap which was not provided.

What happened

Mrs J held home emergency insurance which was underwritten by RSA.

In May 2022, Mrs J reported a leaking tap at her home.

Her claim was accepted and she was quoted for a like for like replacement of the tap. Alternatively, she was offered a free replacement of a tap up to the cost of £60. After some discussion, and Mrs J carrying out research into the cost of a like for like replacement, she agreed with RSA that she would pay the difference between the £60 value provided under the policy cover and the cost of her desired tap, which cost £240.

She paid RSA £180 and the repair was arranged.

On the day of the repair, the plumber from RSA had no knowledge of this arrangement and only had a standard tap available. He carried out the replacement with a standard tap.

Mrs J complained. She felt that either she should get the upgraded tap which she had paid for, or be refunded the money she spent.

RSA had an opportunity to respond to her complaint but did not do so within the required timescales. Mrs J then referred her complaint to us.

Our investigator looked into this matter and it was agreed that Mrs J would be refunded the extra money she had paid RSA (£180). RSA then argued that it had refunded this amount in July 2022.

Mrs J has not received that refund, and explains that between her making the payment to RSA, and the attempted refund, her card was replaced by her bank. RSA argues that the refund still ought to have worked.

Our investigator set out their view and upheld Mrs J's complaint. They considered that on the available evidence the refund was not made to Mrs J, and they considered that RSA should now refund the £180, plus interest, and also pay to Mrs J £200 compensation for her distress and inconvenience.

RSA has not accepted that view.

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.

There is no dispute here in the facts, that Mrs J paid for an upgraded replacement tap, which was subsequently not fitted.

There is also not dispute that Mrs J ought to be refunded for the additional payment she made.

The only remaining issue is whether that refund has been made or not. RSA says that it has been made and shows a system report which indicates that a payment was refunded to a card which RSA held details for, but Mrs J has provided details of transactions into her current account and there is no corresponding receipt of the refund.

RSA has not demonstrated the account which the payment was made to, so we are unable to request further evidence from Mrs J. It has provided a screen grab from Mrs J's bank which indicates that refund made to old cards should still reach the account for that card, but I have not seen evidence that that was the case for this transaction.

Based on the evidence provided, I cannot see that Mrs J has received the refund, despite frequent contact with RSA and her providing information as requested by RSA. This situation has remained unresolved for too long and this cannot continue.

I am therefore not satisfied that the refund has been successfully paid to her and I uphold Mrs J's complaint. Her payment of £180 should now be refunded by a direct payment into an account for which she will provide details.

I am satisfied that this has caused Mrs J substantial inconvenience and I agree that RSA should pay her compensation to reflect this. I agree with my colleague's assessment that £200 is appropriate.

Putting things right

In order to put matters right, RSA should now refund to Mrs J £180 plus interest at a rate of 8% per annum from the date of her payment up until settlement.

RSA should also pay to Mrs J £200 compensation.

Should RSA maintain that it has already successfully refunded the money, it may (within 14 days of this decision becoming binding) provide to Mrs J details of the account to which the money was paid and ask Mrs J to provide a statement for that corresponding account for the date of the transaction and for the following 14 days. I would expect Mrs J to then provide this evidence within 28 days of RSA's request. It is not sufficient at this stage for RSA to provide the old card details only.

My final decision

For the reasons given above, I uphold Mrs J's complaint and direct Royal & Sun Alliance Insurance Limited to:

- Refund to Mrs J £180 plus interest at a rate of 8% per annum; and
- Pay to Mrs J £200 compensation for her distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 6 June 2023.

Laura Garvin-Smith
Ombudsman