

## **complaint**

Mr J and Miss L complain about Royal & Sun Alliance Insurance Plc's ("RSA's") delays in resolving a claim under their home emergency insurance policy. Mr J and Miss L also complain that RSA's engineer caused damage to their boiler during the course of the claim.

## **background**

Mr J and Miss L hold a home emergency insurance policy, underwritten by RSA. The policy is provided as a benefit in connection with Mr J and Miss L's bank account.

In February 2012, Mr J and Miss L registered a claim under their policy with RSA because of a problem with their boiler, which left them without hot water.

A number of engineers attended and, on 24 February 2012, a diverter valve was replaced, temporarily restoring Mr J and Miss L's boiler function. However, shortly afterwards, the hot water supply failed again.

Following this, a number of parts were ordered but when they had not arrived by 6 March 2012, RSA informed Mr J and Miss L of the alternative accommodation entitlement under their policy.

After confusion surrounding an engineer's appointment on 7 March 2012, RSA attended two days later and fitted two parts. However, this did not restore Mr J and Miss L's hot water supply and the engineer diagnosed that a wire was required, which would take two weeks to source. Mr J and Miss L say that, as a result of this engineer's actions, their heating also failed.

On 20 March 2012, RSA authorised a payment of £2,125 to be sent to Mr J and Miss L, having received a quotation from them for a replacement boiler.

Mr J and Miss L then paid to have their boiler replaced by a private engineer but, as they remained dissatisfied, brought their complaint to the attention of this service for consideration.

Our adjudicator did not recommend that Mr J and Miss L's complaint should be upheld.

As our adjudicator was unable to resolve Mr J and Miss L's complaint to the satisfaction of both parties, the matter has now been referred to me for final determination.

## **my findings**

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

It is not in dispute that RSA did not handle Mr J and Miss L's complaint as it should have, as a result of which Mr J and Miss L and their young child were left without hot water for a period in excess of one month. Furthermore, it appears RSA's engineer may have caused additional damage to Mr J and Miss L's boiler on 9 March 2012, as a result of which they were also without heating for a number of weeks.

I understand that Mr J and Miss L chased RSA for updates on numerous occasions during the course of this claim and were further inconvenienced by the engineer's failure to arrive at the expected time on 7 March 2012.

The issue for me to determine is whether the compensation which RSA has paid is fair and reasonable in the circumstances, or whether an additional payment is warranted.

The terms and conditions of Mr J and Miss L's policy state:

*"The most **we** will pay for any one **emergency** is:*

- *£1,000 inclusive of parts, VAT and the **tradesman's** attendance and call-out charge."*

RSA, in recognition of the delays which occurred in resolving Mr J and Miss L's claim, has made a total payment of £2,125 (ie £875 over the policy limit of £1,250) to enable them to replace their boiler. The amount of £875 would therefore amount to compensation. I also note that RSA has not deducted any of the call-out charges or costs from the policy limit, which they are entitled.

I appreciate that Mr J and Miss L are dissatisfied with this and feel that a further payment of compensation is warranted in addition to the full cost of the boiler.

When assessing the amount of compensation which RSA has paid, I must have regard to the fact that insurance policies such as this do not generally provide for a replacement boiler.

And there is no evidence to demonstrate that Mr J and Miss L's boiler was incapable of being repaired, and the new boiler was necessary, solely as a result of RSA's engineer's actions.

An award of £875 level falls into the category of what we would consider to be *significant* compensation. I have no doubt that the time that Mr J, Miss L and their baby daughter (who I understand was not well) were without heating and hot water as a result of errors made by RSA and its agents caused a great deal of distress and inconvenience.

I therefore agree that a significant award is warranted and it is my opinion that the £875 already paid is appropriate. This is in line with awards previously made by me and my colleagues in cases involving similar levels of distress and inconvenience.

### **my final decision**

My final decision is that I do not uphold this complaint.

I make no award against Royal & Sun Alliance Insurance Plc.

Harriet McCarthy  
**ombudsman**