

complaint

Mr E complains that Royal & Sun Alliance Insurance Plc gave him poor service under the home emergency section of his home insurance policy.

background

Mr E had home emergency insurance subject to a limit of £1,000.00. So when his boiler wasn't working properly, Mr E called his insurer RSA for help. It sent engineers on several occasions. But in the end Mr E paid the boiler manufacturer £249.00 to fix the boiler.

In its final response to his complaint, RSA said it could've handled things better. It sent Mr E £500.00. Unhappy with that amount, Mr E brought his complaint to us.

Our investigator recommended that the complaint should be upheld. She thought that RSA should've fixed the boiler in one or two visits. She said that if RSA had done the repair on time it wouldn't have gone over the limit of £1,000.00.

She didn't think RSA had done enough to apologise for the trouble and upset caused to Mr E. She recommended that RSA should – in addition to the £250.00 for Mr E's costs of repair – pay Mr E a total of £500.00.

RSA disagreed with the investigator's opinion. It asks for an ombudsman to review the complaint. It says, in summary, that its payment was in line with similar cases.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

RSA was the insurer responsible for dealing with claims. So where I refer to RSA or the insurer I include the engineers for whose actions I hold RSA responsible.

It was August when Mr E found he had no hot water. But that's inconvenient at any time of year. And I think it was inevitable that he was going to have a day or a few days without hot water before the issue was fixed.

But I accept Mr E's statement that there were several engineers' appointments. Each time Mr E had to be at home. And there were occasions when the engineer didn't arrive when expected.

One of the first engineers who visited left him with no hot water and no central heating. And an engineer attended to fit a PCB (printed circuit board) – but then ordered a motor, flow and harness.

I'm not satisfied that RSA kept Mr E properly informed. He felt he had to chase for information.

RSA told Mr E it had reached the £1,000.00 limit. But its engineers waived the amount for the "customer to pay".

In the end Mr E engaged the manufacturer of his boiler. It fixed it in one visit by changing the diverter valve.

Mr E had been without hot water and central heating for over three weeks.

RSA hasn't said that its engineers followed a logical process of diagnosis and replacement of parts. Rather RSA has said it could've handled things better. And it reimbursed the £249.00 Mr E paid the manufacturer and rounded it up by £1.00. It also paid a further £250.00 compensation.

RSA spoke to Mr E before sending its final response letter. I find that letter ambiguous as to whether RSA thought Mr E had accepted its offer to pay him a total of £500.00. And in any event I think Mr E was within his rights to bring his complaint to us.

After RSA's policy expired Mr E took out a policy with another insurer. It did a routine check of the CUE (Claims Underwriting Exchange) database. And it said Mr E had a claim as follows:

"12 August 2018 Accidental Loss Contents £1043"

I don't think that's a fair and accurate record of the claim.

From what Mr E has said – and from RSA's response – I find it more likely than not that RSA should've fixed the boiler within one or two visits and at a cost of about £250.00 – as the manufacturer did.

So RSA caused Mr E several unnecessary visits. This interrupted his work. RSA caused Mr E the financial worry that he would have to pay to fix the boiler. And RSA caused him the trouble of engaging the manufacturer.

RSA left Mr E without central heating and hot water for nearly three weeks longer than was reasonable. I accept his description that this was "insanitary".

I've thought about the distress and inconvenience all this caused Mr E. And on balance I agree with the investigator that – in addition to the reimbursement of the £250.00 he paid the manufacturer – a total of £500.00 is fair and reasonable compensation.

my final decision

For the reasons I've explained, my final decision is that I uphold this complaint. I order Royal & Sun Alliance Insurance Plc to pay Mr E - in addition to its payments of £250.00 reimbursement for the manufacturer and £250.00 compensation – a further £250 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 16 June 2018.

Christopher Gilbert
ombudsman