

complaint

Mr B complains that Royal & Sun Alliance Insurance plc ("RSA") is responsible for poor service under his home emergency insurance policy.

background

In December 2016 Mr B arranged cover which included his central heating boiler and system. He agreed to pay an annual premium by instalments.

The policy was branded with the name of an insurance intermediary. I've seen the policy schedule, the policy terms and welcome letter issued in December 2016. From those, I find that a syndicate of insurers was responsible for dealing with claims.

In December 2017 Mr B complained about delay in arranging an annual service of the boiler. The intermediary sent a final response letter.

The policy was renewed with effect from 18 January 2018. The intermediary had changed the policy underwriters. RSA was responsible for dealing with claims.

In April 2018 Mr B complained that his insurer had sent an engineer who left a mess and hadn't replaced a valve for the boiler. The intermediary sent a final response letter offering Mr B £50.00 as a gesture of goodwill.

our investigator's opinion

Our investigator dealt with the complaint as though it was against the intermediary. He recommended that the complaint should be upheld in part. He didn't think the intermediary's engineers had contacted Mr B to arrange the boiler service or other appointments as promised. He recommended that the intermediary should offer Mr B £100.00.

The investigator didn't think that the intermediary should refund premiums or make an allowance for Mr B to pay his own plumber to replace the valve.

my provisional decision

After considering all the evidence, I issued a provisional decision on this complaint to Mr B and to RSA on 31 January 2019. I summarise my findings:

The Financial Ombudsman Service can only deal with a complaint against one regulated financial firm at a time. And for a complaint about a claim for the benefit of an insurance policy, we deal with the complaint against the insurer responsible for dealing with the claim.

Mr B was complaining that he hadn't had an annual service during the first policy year. That was a complaint about a claim for which the syndicate of insurers was responsible.

But Mr B's main complaint is that his insurer should either agree to pay his plumber to fix the valve or refund his premium. That's a complaint about a claim for which

RSA was responsible. So was going to deal with Mr B's complaint insofar as it's about what happened or should've happened from 18 January 2018.

I've seen the policy schedule for the year from 18 January 2018. That says that the policy was underwritten by RSA. The intermediary has sent us the policy terms (dated 7 November 2017). They confirm that the policy was underwritten by RSA.

Those policy terms applied to Mr B's policy from 18 January 2018. And they say that the intermediary will deal with claims and complaints on behalf of RSA. So where I refer to RSA I include – with effect from 15 January 2018 – the intermediary, its engineers and any others for whose actions I hold RSA responsible.

Mr B didn't have the alternative of choosing not to have the annual service. So the service was part of – or ancillary to - the insurance.

The policy didn't provide Mr B with the right to claim reimbursement or partial reimbursement of a plumber of his choice. And I couldn't say that it was unfair or unreasonable that RSA declined this – preferring to use its own engineers.

As RSA had arranged visits in January and April 2018 I didn't find it fair and reasonable to direct it to refund any part of the premium Mr B paid for that policy year.

From what Mr B has said the boiler never stopped providing heat and hot water.

But I found some shortcomings in the April 2018 visit and follow-up communication. From what Mr B has said, I thought this had caused him some irritation and worry about what might happen with his boiler. So I found it fair and reasonable to direct RSA to pay Mr B £100.00 for distress and inconvenience.

Subject to any further information from Mr B or from RSA, my provisional decision was that I was minded to uphold this complaint in part. I was minded to direct Royal & Sun Alliance Insurance plc to pay Mr B £100.00 for distress and inconvenience.

Mr B hasn't responded to the provisional decision.

RSA agrees with the provisional decision. It says it has already paid £50.00.

my findings

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

From the December 2016 policy schedule, I think the cover started on 18 January 2017 and the policy renewal date was 18 January 2018.

I take on board that Mr B was complaining that he hadn't had an annual service during the first policy year. But I will deal with Mr B's complaint insofar as it's about what happened or should've happened from 18 January 2018.

The policy covered loss of central heating or hot water following a boiler breakdown.

The policy schedule said the annual service wasn't part of the insurance. And it had its own specified cost of £60.00. But Mr B didn't have the alternative of choosing not to have the annual service. So I find that the service was part of – or ancillary to - the insurance.

The intermediary has provided us with a schedule of call-outs. It records that the annual service was done on 18 December 2017. But the schedule looks incomplete to me. So - give or take a couple of days - I accept Mr B's statement that it was on 24 January 2018 that one of RSA's engineers did the boiler service. He identified the seized valve but he said he couldn't replace it then and there.

I've seen an email from Mr B dated 20 February 2018. It included the following:

*"...I was waiting to see how long it would take to fix the issue identified by the engineer who discovered it whilst carrying out the long overdue service on 22 January.
...I would like [Mr T] to be asked to return to resolve it because at least I can trust his knowledge and capabilities."*

So I don't think Mr B had been without heating or hot water in January or February.

From the intermediary's file, I think Mr B chased again on 27 March.

Another of RSA's engineers attended Mr B's property on 13 April 2018. But he arrived unexpectedly when Mr B was out and only his daughter was there. From what Mr B has said, I accept that his daughter heard the engineer use inappropriate language. But the engineer was able to free the seized valve and re-pressurise the boiler.

I accept Mr B's statement that the engineer pressurised the boiler to 1.6 bars – well above the manual's recommended maximum of 1.2 bars. Mr B called the same day and was given advice on how to lower the pressure. I also accept Mr B's statement that the engineer had left some dirty marks.

Mr B wrote a letter of complaint the next day. He asked that his own plumber could replace the valve and for the insurer to reimburse the amount it would have paid for one of its engineers to do so. Alternatively Mr B asked for a refund of some of his premium.

On 18 May 2018, the intermediary replied to Mr B's complaint. It said that one of its engineers had been tried unsuccessfully to contact Mr B to arrange an appointment. Mr B has said he hadn't received any such contact. And RSA hasn't been able to provide enough details or records of the unsuccessful contacts. So I'm not satisfied that it had done enough to contact Mr B.

The final response letter offered Mr B £50.00 as a gesture of goodwill. I'm not satisfied that the letter made clear whether RSA accepted that the valve needed replacing or whether the policy would cover this.

But in any event the policy didn't provide Mr B with the right to claim reimbursement or partial reimbursement of a plumber of his choice. And I can't say that it was unfair or unreasonable that RSA declined this – preferring to use its own engineers.

As RSA had arranged visits in January and April 2018 I don't find it fair and reasonable to direct it to refund any part of the premium Mr B paid for that policy year.

From what Mr B has said the boiler never stopped providing heat and hot water.

But I've found some shortcomings in the April 2018 visit and follow-up communication. From what Mr B has said, I think this has caused him some irritation and worry about what might happen with his boiler. So I find it fair and reasonable to direct RSA to pay Mr B £100.00 for distress and inconvenience (less the £50.00 goodwill offer if RSA has already paid it).

my final decision

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct Royal & Sun Alliance Insurance plc to pay Mr B £100.00 for distress and inconvenience (less the £50.00 goodwill offer if RSA has already paid it).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 19 March 2019.

Christopher Gilbert
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