

complaint

Mr S complains that Royal & Sun Alliance Insurance plc ("RSA") mishandled his claim on a home emergency policy.

background

The policy was branded with the name of another company. But RSA was the insurer responsible for dealing with claims. Where I refer to the insurer or RSA, I include engineers, claims-handlers and others for whose actions I hold RSA responsible.

In late April, Mr S called for help with his hot water. In early May, RSA said his diverter valve wasn't working because of scale, so it wouldn't help. In July, Mr S paid a plumbing company to install a new boiler and to do a power flush. He complained to RSA that there had been no sludge in the system. He said that RSA should've repaired the boiler or it should refund his premium.

Our adjudicator didn't recommend that the complaint should be upheld. She thought that RSA had sufficient evidence of sludge to decline the claim.

Mr S disagreed with the adjudicator's opinion. He asked for an ombudsman to review the complaint. He says, in summary, that there is a question over the presence of dirt externally on the valve. RSA should've replaced the valve under the policy, he says.

my findings

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

According to the policy schedule, Mr S took out the policy in late 2014. I accept that this was for "peace of mind".

But like many such policies, Mr S's didn't cover damage caused by sludge or scale in the boiler or the pipework.

I accept Mr S's statement that much of his heating system consists of underfloor heating made out of plastic pipes with not much metal to corrode into sludge.

But Mr S has told us that on one occasion in about 2016 the insurer raised "sludge" as a potential issue. On that occasion the insurer replaced a plate heat exchanger.

From the policy schedule, I see that for 2018, Mr S had cover for his central heating system, electrics, plumbing and drainage. He was paying a yearly premium by monthly instalments of about £22.00.

What happened in early May was that the insurer's engineer identified a number of problems. His report included the following:

"Arrived, customer complaining that there is no HW or sometimes hw fluctuating upon further inspection the diverter valve / flow micro switch is faulty and not activating the switch for the HW due to scale, system was then checked for sludge

which was present in the system, customer was informed about the sludge and has been show (sic) a sample which as per picture attached.”

I've seen the photograph of a piece of paper with some dirt on it. From that and from the engineer's report, I accept that there was scale and sludge in the system. And I accept that it was the engineer's opinion that scale was the cause of the fault with the diverter valve or flow switch. He recommended a power flush.

I think Mr S expressed doubt about what the engineer had told him. But I don't find it unreasonable that the insurer didn't suggest that Mr S should take a water sample from the system.

Mr S decided to get the plumbing company to install a new boiler. I think that included a power flush. But the plumbing company reported no sludge.

Mr S says he rang the insurer while the plumbing company was still there. In the absence of a call recording, I accept Mr S's statement that he asked what he needed to do next to refute the insurer's claim that his system had been dirty. He says the insurer asked for a written report from his plumber. I'm satisfied that was an appropriate response.

Mr S's evidence includes the following from the plumbing company that installed the new boiler:

*“Following the installation of your new combination boiler, we thoroughly power flushed and tested your central heating system and found it to be very clean. The system was free of debris and sludge when we analysed filtration system and the magnetic filters.
We do not feel that your system was dirty or full of sludge as previously suggested by other engineers.”*

That's evidence that there was an absence of sludge in July. But it doesn't persuade me that there was an absence of sludge and scale two months previously.

And the plumbing company hasn't given its opinion of the cause of the fault with the diverter valve. So I don't think Mr S has shown that RSA was wrong to say scale had damaged the valve. And the policy excluded damage caused by scale. So I don't think RSA treated Mr S unfairly by declining to replace the diverter valve – and turning down his complaint.

I don't find it fair and reasonable to order RSA to make any payment to Mr S or to do anything further in response to his complaint.

my final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I make no order against Royal & Sun Alliance Insurance plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 21 January 2019.

Christopher Gilbert
ombudsman