

The complaint

Mrs D complains about Royal and Sun Alliance Insurance Limited (RSA) who declined her claim under her home emergency policy.

What happened

Mrs D held a home emergency policy with RSA. She explained that her boiler broke down following an annual service that RSA conducted. She said that she instructed an independent engineer when the boiler was working intermittently to carry out repairs. This was completed and Mrs D paid the invoice in full.

Mrs D contacted RSA to obtain a reimbursement of her costs. RSA declined to reimburse the costs due to the policy terms and conditions. And moreover, as Mrs D hadn't obtained any prior permission for her to use an engineer of her choice. Further, RSA said that as the boiler was working albeit intermittently, this wouldn't be classed as an emergency and so wouldn't be covered under the policy.

Mrs D complained to RSA, but it maintained its position in its final response. Mrs D was given her referral rights and referred a complaint to our service. One of our investigators considered the complaint and didn't think it should be upheld. He said that the work that Mrs D's engineer had carried out hadn't been pre-authorised and was more akin to maintenance, which wasn't covered under the policy. So, he was unable to recommend that RSA reimburse Mrs D's costs.

RSA accepted the view, Mrs D did not. She asked for an ombudsman to review all the evidence. She said:

'The RSA's view is ...WRONG...! The Boiler broke down on 1 September 2022. RSA were informed that due to the cancellation of their Annual Plumbing Contract, agreed with by RSA, there was no alternative to using a previous plumber, to facilitate this NECESSARY repair. Furthermore, at no time over the last 10 years, has the Boiler, not had an ANNUAL BOILER CHECK... (documental proof evident).'

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.

Having done so, I won't uphold this complaint, for much the same reasons as our investigator. I understand that this might be a disappointment to Mrs D, but I hope my findings go some way in explaining why I've reached this decision.

I've considered all the evidence and comments provided to me by both parties. I think the main issue of this complaint is whether RSA was fair to decline to reimburse Mrs D's costs.

I can see that Mrs D chose to instruct an independent engineer to carry out some work on her boiler. This followed an annual service that RSA had completed. On review of the invoice, it states that a *'full descale of the boiler had taken place and a cleanse of the unit, due to scale deposits'*. I think the work carried out was more akin to maintenance rather than anything else.

In addition, I have listened to the call recording between Mrs D's representative and RSA. In it, the representative confirms that the boiler was working intermittently. In that he said that the water had to be run on occasion, for hot water to be generated. He also confirmed that the boiler was able to operate manually.

I've reviewed the policy terms and conditions to see what RSA's obligations were under the policy, and whether there were any exclusions.

RSA said that it declined to reimburse Mrs D's costs under a number of terms and conditions of the policy, including some exclusions. The first term states:

'WE DO NOT COVER: 9. Where a boiler can be operated manually to resolve the loss of hot water and/or heating.'

I've had a thought about what this means, and I think its clear that there will be no cover for any issue with a boiler, where it can still be operated manually. As Mrs D confirmed that her boiler was still operational manually, then I don't think it was unfair for RSA to decline to reimburse for this reason.

In addition, RSA outlined what it does cover:

'WHAT WE COVER: We will provide assistance in an emergency following the complete breakdown of the domestic boiler and/or central heating system which results in the complete loss of heating and/or hot water or a leak from the boiler. We will pay a contribution of up to £50 towards the cost of purchase or hire by you (upon production of an original receipt for payment) of alternative heating sources where these are deemed necessary in the event that the primary heating system has failed completely and it is not possible to reinstate the heating. Claims related to other forms of primary heating, such as oil or LPG may be settled on a reimbursement basis if an authorised contractor is not available at the time in your local area.'

Again, I've had a thought about this, and I'm satisfied that it will only help where there has been a complete breakdown of the boiler. Mrs D confirmed that the boiler worked intermittently. So, I'm satisfied that there hadn't been a complete breakdown of the boiler. Consequently, I think RSA was fair to decline to reimburse Mrs D's costs under this term also.

I've next considered the policy exclusions and I can see that there are two exclusions that RSA had relied upon. These are:

'15. A breakdown where an engineer has previously identified that remedial/ maintenance work is required to prevent a future breakdown and the recommended work has not been carried out.

16. Any maintenance or remedial work identified during an annual boiler service.'

Following the annual service, RSA's engineer informed Mrs D that there would be follow-up work and replacement parts were required. I understand from RSA, that Mrs D had indicated to its engineer that further works had already been booked in.

Given that RSA had provided evidence to show that further work was recommended. And the evidence provided from Mrs D's engineer that indicated that the work amounted to maintenance, I don't think RSA was unfair to rely on the policy exclusions, when it declined to cover Mrs D's engineer's costs.

Finally, RSA also relied on the specific annual service policy exclusion which states:

'Boiler servicing will be completed in accordance with the current Gas Safety Regulations. Please make sure that you have the manufacturer's instructions available for the engineer when they attend. Please note that remedial or maintenance work is not included as part of your boiler service.'

I'm aware that Mrs D said that she was given prior authority to have the works carried out by RSA, but I haven't been provided with any evidence that supports this. In any event, from the policy it's clear that prior authority would need to be obtained before any reimbursement is authorised.

Taking everything into account, whilst I understand how disappointed Mrs D will be, I don't think RSA had been unfair or unreasonable in not agreeing to reimburse her costs. I'm satisfied that RSA fairly declined the claim under the policy terms, exclusions and conditions. Accordingly, I can't reasonably ask RSA to do anything further here.

My final decision

For the reasons given, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 14 November 2023.

Ayisha Savage
Ombudsman