

The complaint

Mr E is unhappy with the way U K Insurance Limited (UKI) dealt with his Landlord Emergency claim and its refusal to pay towards a new boiler.

What happened

Mr E had Landlord Insurance, including Landlord Emergency cover, with UKI. The claim relates to his tenanted property.

Mr E reported a leak from the back boiler but UKI couldn't send someone round within the expected timescale. He agreed to find a plumber himself but, because he couldn't, his tenant's relative helped to stop the leak and capped the gas supply. Mr E called UKI again. After experiencing long waiting times to get through and receiving inaccurate information about his policy limit, it arranged to send a plumber two days later. Mr E's tenant didn't have heating while this matter was ongoing.

The UKI plumber found that the boiler was unsafe and capped the gas at the main supply pipe. He reported it to the gas network company and refused to work on the boiler which he considered unsafe. There was a heated exchange between Mr E and the plumber.

Mr E asked independent plumbers to look at the boiler. After being told it would cost more to repair the boiler than it was worth, he decided to replace the whole system.

Mr E complained to UKI about its plumber and poor service. UKI agreed it hadn't met its expected service level. It paid Mr E £200 by way of apology and reimbursed the cost of the heater he had bought for his tenant. UKI also offered £250 towards the cost of replacing the boiler but withdrew the offer after investigating the complaint.

Mr E thought UKI should pay him £1500 which is the policy limit for repairs. UKI explained that the boiler was around 20 years old and the policy didn't include cover towards replacement boilers.

Our investigator didn't uphold the complaint. She thought that UKI had paid a fair amount for the service failings. She also noted that the policy didn't cover boiler replacements, so it wasn't fair to ask UKI to contribute towards the cost of the new boiler.

Mr E didn't agree. He said UKI refused to repair the boiler, so he had no choice but to replace the whole system. He suggested that UKI should at least pay the labour costs.

The complaint was passed to me to decide.

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.

I realise Mr E will be disappointed, but I've decided not to uphold his complaint. I'll explain why.

Firstly, I'm aware that Mr E has concerns about a Data Request he made to UKI, but I won't be addressing that issue in my decision. Mr E may wish to seek advice from the Information Commissioner's Office if he isn't sure whether UKI has responded to his request appropriately.

There are two key parts to Mr E's complaint – the standard of service and the costs UKI should pay under his policy. I've considered all the information available to me, but my decision will focus on these two areas.

Mr E complained about the following service issues:

- UKI took a long time to answer his calls.
- It failed to return his calls.
- UKI gave incorrect information about his policy.
- He said UKI's representatives were rude and aggressive.
- UKI wouldn't repair his boiler.

These issues are not disputed, but UKI did explain why it wouldn't repair the boiler. It said that an unqualified person had worked on the boiler before its plumber attended and it wasn't left in a safe state. Mr E doesn't agree but it's not for me to decide whether the boiler was unsafe. I've looked at whether it was reasonable under the terms of the policy for UKI to refuse to repair Mr E's boiler and I think it was. A plumber is entitled to refuse to work with a gas appliance which they consider unsafe and which has been worked on by an unqualified person. I realise Mr E said the work was minimal, but the amount of work undertaken is irrelevant if the qualified plumber felt the situation was dangerous. I'm satisfied that it was reasonable for UKI to refuse to repair the boiler and for it to refer the matter to the gas network company.

I've looked at how UKI dealt with the claim and I agree that there were instances when its service could've been better. UKI acknowledged that and paid Mr E £200 for its service shortfalls along with a payment to reimburse him for the cost of a heater for his tenant. I'm satisfied that the payment is fair in recognition of the service shortfalls listed above so I won't be asking UKI to pay any more.

Mr E thought UKI should pay towards his replacement boiler. UKI offered and then withdrew its offer to contribute towards the replacement boiler. I can see that UKI made its original offer as goodwill after Mr E complained but I don't think the offer was necessary given that it also paid compensation for the service shortfalls. After investigating the matter, it withdrew its offer.

I've looked at the terms of the policy to see whether UKI should contribute to the boiler replacement. In the Landlord Emergency General Exclusions, the policy states:

"We will not pay any claim relating to the following:

7 Replacement boilers or appliances

The costs, or any contribution towards the costs, of replacing a boiler, storage heater or any other heating or domestic appliance.

8 Repair is uneconomical

Any repair to a boiler, storage heater or any other heating or domestic appliance that is more than the cost of replacing it."

Mr E's boiler was over 20 years old and both his plumbers and UKI agreed it was beyond repair. Emergency cover isn't intended to cover the cost of a new boiler when an old boiler,

which has reached the end of its serviceable life, fails. The terms are clear about this. So, although UKI initially made an offer to pay £250 towards the cost of the replacement boiler, I don't think it was unfair for it to withdraw the offer. Mr E replaced his boiler - it wasn't repaired - so it was reasonable for UKI to refuse payment under his policy.

In summary, I'm satisfied that UKI has acknowledged its shortfalls, compensated Mr E appropriately and fairly declined his claim under the Landlord Emergency cover.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 3 August 2020.

Debra Vaughan
Ombudsman