

## The complaint

Mr G is unhappy that Bastion Insurance Company Limited (Bastion) turned down his claim under his Home Emergency Policy.

## What happened

Mr G's wife contacted Bastion to make a claim on the home emergency policy because the key got stuck in the front door of a rental property they owned. Bastion turned it down because it said it wasn't an emergency.

Bastion then turned down two separate claims made by Mr G when the boiler wasn't working properly, as it didn't think either incident met its criteria to be classed as an emergency.

Mr G complained to Bastion. It confirmed that it was correct to turn down his claims.

Mr G complained to this service. Our investigator upheld the complaint and said that two of the three claims should have been accepted. She said Bastion should pay Mr G's costs for having the repairs carried out for those two claims and pay him £100 compensation.

As Bastion didn't agree with these findings, the complaint has been referred to me.

I issued my provisional decision on 26 May 2020. In my provisional decision, I explained the reasons why I was planning to uphold the complaint. I said:

"For a home emergency claim to be accepted by Bastion it must meet the definition of an emergency as described in its policy and also meet the terms and conditions of the relevant part of the policy for the incident.

Bastion's policy document defines an emergency as follows:

***"Emergency means a sudden and unexpected event, which is reported to us within 24 hours of first noticing the fault, and which if not dealt with, would, in the reasonable opinion of the helpline:***

- *render the home unsafe or insecure; or*
- *damage or cause further damage to the home; or*
- *cause personal risk to You."*

For the first claim, the key got stuck in the lock to the front door and it wasn't possible to remove it. This meant that although the front door could be closed, someone walking along the street could potentially open the front door. Bastion said it wouldn't deal with the issue as it wasn't an emergency.

When Mr G complained about this, Bastion said:

*"This call occurs at 13:20. The agent explains to your wife that this is not an emergency and as it is during the day, you will still have to call a locksmith as our policy will only complete a temporary fix. He explains that it is still during the day and that you would need to get a locksmith out in any event. We again note that your wife wants the lock repaired. We*

*reiterate that this policy is only a rectification policy and provides relief from an emergency so that you can get the fault repaired.”*

In its response to Mr G, Bastion said that the incident wasn't an emergency but didn't explain why this was the case. Looking at what happened, the claim was made within 24 hours of the incident and I think it is reasonable to regard a key stuck in a front door as making a home insecure. On that basis, I'm satisfied that the incident met the definition of an emergency.

Bastion's policy says that it provides cover as follows:

***“Security***

*We will assist You to make Your home secure following an emergency arising from the sudden and unexpected failure of or damage to external locks fitted to doors and windows where the failure or damage is such so as to render the Home unsafe or insecure.*

*We do not cover:*

...

*f) Replacement of defective locks unless there is no way of making the Home secure overnight;*

*g) Any broken and/or damaged external locks, doors or windows which does not cause a security risk to the insured property;”*

Bastion emphasised the time of day that the issue was reported. The policy doesn't list specific times of day within which an incident must have occurred for it to be a valid claim. The reference in the policy to “overnight” is about the property being secure, not that the claim needs to be made overnight.

Bastion also seems to be arguing that as it was during the day time, Mr G's wife would be able to call someone else out and that this was also the only way to get the lock repaired. If Mr G's wife did call someone else out, I think that was likely to be an emergency locksmith because of the risk presented by the key being stuck in the front door. I can therefore understand that Mr G's wife might have expected to be able to call out an emergency locksmith through this policy, rather than to call out an emergency locksmith directly at additional expense.

I've also considered Bastion's view that because Mr G's wife wanted the lock repaired that she would have to call someone else out anyway and that Bastion would only “*complete a temporary fix*”.

Bastion's policy says:

***“Assistance means the work undertaken by the engineer during a call out to the Home to complete a temporary repair to limit or prevent damage or, if at similar expense, the cost of completing a permanent repair, in respect of the cover provided.”***

The policy therefore clearly says that it will carry out a repair and that this would be either a temporary or permanent repair depending on the circumstances. Having thought about all of the above, I don't think Bastion was fair or reasonable in how it dealt with the claim and its reasons for turning it down weren't in line with the terms and conditions in its policy.

Mr G also tried to make two claims for issues with the boiler. The same definition of an emergency applied as above. The wording in the policy also said:

*“Primary Heating System*

*We will assist You to restore heating and/or hot water to Your Home following an Emergency arising from the sudden and unexpected complete failure of the primary heating system. We will only attend to one primary heating system failure during the period of cover in Your schedule. Before assistance can be provided, You must provide Us with proof of servicing. Failure to service Your primary heating system will result in Your claim being denied.*

*We do not cover:*

...

*p) Reoccurring or intermittent faults, nor boiler/ system noise where the boiler is still functioning;”*

For the first incident, Mr G told Bastion that there was no central heating or hot water at the property. It didn't send an engineer because it said that it didn't meet the definition of a home emergency. In Bastion's written response to Mr G, it said this was because when he was asked whether the home was unsafe, there was a risk of further damage or a personal risk to him, Mr G said 'no'.

Based on the information Mr G first gave Bastion, it was potentially reasonable to turn down the claim, as it didn't seem to meet any of the 'tests' that the call handler needed to use to decide if it was an emergency. However, during the same phone call, Mr G gave some additional information, which was that there was a baby at the property. Bastion doesn't appear to have given any consideration to this new information to see whether it might change its view on whether it was an emergency.

Bastion's complaint response said *“This information [the baby] only comes to light after your claim has been denied. Our claims decisions are based on the information you provide us with during your call to us and unfortunately this was not disclosed to us.”*

Bastion also said that it turned down the claim because the presence of a baby wasn't disclosed during the call. However, by Bastion's own admission, the baby was referred to. In my view, Bastion's unwillingness to reconsider the claim when Mr G provided further information was unreasonable. Its later explanation for why it didn't do this was also incorrect.

Bastion's response also said:

*“You contact us 3 times from your mobile number and we receive a further 6 calls from your partners mobile number. These calls to us continue for well over an hour. During these calls you attempt to make a claim 3 times after your initial claim has been denied. An emergency is something that needs immediate attention and no emergency is occurring as this time as you clearly have time to flood our call lines instead of arranging assistance for your boiler.”*

Mr G has said that he phoned Bastion several times because he wanted to see if the claim could be reconsidered. He also wanted to raise a complaint about the original call handler. However, he said that each time he phoned, he kept getting through to the original call handler, who would sometimes hang up on him. Mr G would then phone again to try and speak to someone else.

In the circumstances, I don't think Bastion was reasonable in how it dealt with the claim. It should have considered the information about the tenants' baby to see if this changed its decision about whether it was an emergency. Bastion was also incorrect in the explanation it later provided about the reasons that it turned down the claim. I also don't think it was fair or reasonable for Bastion to say that Mr G's repeated phone calls were evidence that there was

no emergency when, as Bastion itself says, the purpose of a number of those phone calls was to try and register a claim for an emergency.

Mr G also tried to make a claim related to the boiler because there was a problem with the hot water. This was turned down because the call handler decided that it was an intermittent fault.

The decision on whether a claim is accepted is down to the “*reasonable opinion of the helpline*”. In this case, Mr G told the helpline that the water would start to warm up and would then go cold and that this happened each time he tried to get hot water. The call handler decided that, based on this description, it was an intermittent fault.

Bastion’s policy doesn’t define what ‘intermittent’ means, but reading this part of the policy in context it says that the emergency needs to arise from a “*sudden and unexpected complete failure of the primary heating system*”. The hot water system was still working even though it wasn’t fully heating up so it wasn’t a complete system failure. On that basis, I think it was reasonable for Bastion to turn down the claim.

However, I’m also aware that when Bastion responded to our investigator’s view, it said: “*You will note that the client has been advised that it needs to be an emergency for assistance to be provided. The agent also explains to Mr G that he cannot claim for the same fault twice.*”

The claim wasn’t turned down on the basis of it being the same fault as previously. I listened to the phone call where Mr G tried to make a claim and he specifically asked whether it was turned down on the basis of the previous boiler call. The call handler said no and that it was on the basis of the current issue being an intermittent fault. Bastion was therefore incorrect to say that the claim was turned down on this basis.

Bastion also told our investigator that it’s highly unusual for someone to have three emergencies in the space of a few months and that Mr G’s issues were actually maintenance issues, which the policy doesn’t cover. However, the policy doesn’t say that it will only deal with one claim per year. Claiming, or attempting to claim, more often is within the terms of the policy, even if it isn’t typical. Bastion also seems to be suggesting that the multiple issues indicate a lack of maintenance of the home. I don’t accept this argument. I can’t see that there is a clear link between a boiler breaking and a key getting stuck in the front door lock or that it is reasonable to automatically infer that this shows a lack of general maintenance.

Bastion has also argued that “an emergency is something that requires immediate assistance”. In its reply to our investigator, it went through the incidents and applied a test of whether someone would phone 999 about them. It then argued that because the emergency services might decide that something wasn’t an emergency that for insurance purposes, it also wasn’t an emergency.

Nowhere in the policy does it say that the claims will be considered on the basis of how the emergency services define an emergency or that it needed to be an issue that the emergency services would deal with. Also, where someone’s boiler breaks down or there is an issue with a lock, there are very few circumstances where phoning the emergency services would be a reasonable way to deal with it, but I would think it reasonable to try and make a claim via a home emergency policy.

Having thought about all of the above, my current view is that I don’t think that Bastion was fair or reasonable in turning down Mr G’s first two claims or in how it responded to his complaint, including the reasons it then gave for turning down the claims. As a result, I’m

mindful to say that Bastion should pay Mr G compensation for the distress and inconvenience caused. The investigator said Bastion should pay £100 compensation. However, having reviewed all the details of this case, I think that a higher amount, £300, more appropriately reflects the distress and inconvenience caused.”

I asked both parties to send me any more information or evidence they wanted me to look at by 25 June 2020.

Mr G responded and said that he had nothing further to add.

Bastion Insurance didn't respond.

### **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 remain of the view that this complaint is upheld.

### **Putting things right**

Having reviewed all the details of this case, Bastion Insurance must pay Mr G £300 in compensation for the distress and inconvenience caused.

### **My final decision**

For the reasons I've given above and in my provisional decision, my final decision is that that this complaint is upheld. Bastion Insurance Company Limited is required to:

- pay Mr G £300 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 29 July 2020.

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Louise O'Sullivan  
**Ombudsman**