

The complaint

Mrs L is dissatisfied with the quality of work carried out by Amtrust Europe Limited (Amtrust) on her boiler and central heating system. She would like the termination fee removed and compensation for the inconvenience caused.

What happened

Mrs L took out a service and emergency breakdown package for her boiler and central heating system in 2016. The emergency breakdown element was an insurance product through Amtrust.

Mrs L says the boiler was losing pressure and Amtrust attended in December 2016 and then on several occasions through to September 2019 to service the boiler, conduct tests and replace various parts. Mrs L says it was generally still necessary for her to re-pressure the boiler between these visits and an engineer had shown her how to do this. On some occasions the boiler had lost pressure completely and major components were replaced. Amtrust records say that following these works the central heating system was tested and functioned as it should.

In August 2019 the boiler stopped working again an engineer attended on 5 September 2019. Water was noticed under the kitchen cabinets below the boiler. The engineer said Mrs L would need to arrange access to enable him to locate the leak and repair it. This left Mrs L without heating and hot water and uncertain as to the location of the leak.

Mrs L wasn't happy about this and called Amtrust to complain saying the engineer should have investigated further and repaired the leak given the length of time she'd been having problems with the boiler and what she was paying for the cover.

Mrs L decided to cancel the contract and said she wanted the termination fee waived as Amtrust had failed to fix the problem and she had lost faith in its competence. Amtrust rejected her complaint saying the engineer couldn't access the leak:

"due to the leak being under the flooring and behind the walls our engineer will not repair the leak without clear access which will require third party work".

Mrs L arranged a plumber who removed the plinth under the cabinet and repaired a plastic barrier pipe which had been chewed through, probably by mice. Mrs L said this took around 15 minutes. The plumber re-pressured the boiler and checked the system and Mrs L says there have been no problems since.

Having considered it further Amtrust rejected Mrs L's complaint concluding it hadn't done anything wrong, it said the termination fee was still payable.

Mrs L referred her complaint to our service. Our investigator looked into it. She didn't uphold Mrs L's complaint. She said Amtrust's records showed that the boiler and heating system had been tested following both services and repair works and shown to be functioning correctly. And no water leaks had been identified. She said the termination charge was clearly set out in the terms and conditions (T&Cs).

She said if more evidence could be provided about the leaks and when its likely they were noticeable, she could consider it further.

Mrs L provided further information from her plumber including photos. Her plumber thought there'd been leaks for around two years as nearby timber had rotted and turned black suggesting a long term issue. The plumber said the pipe had been chewed in several places and was likely to have been leaking slightly before becoming a major leak when the pipe was chewed through completely.

Our investigator looked at this additional information but didn't change her view. She said there wasn't any evidence of when the leak should have been noticed by the engineers who attended before 5 September 2019. The engineers had rectified reported issues prior to this. And the policy didn't cover tracing and accessing the leak. So, she couldn't say that Amtrust had done anything wrong.

Mrs L disagreed, saying Amtrust had failed to solve the boiler issue for two years. She wasn't asking it to pay for the costs of repairs to her kitchen, or the pipe but not to pay the termination fee because she was only leaving because of its bad service.

My Provisional Decision

I issued my provisional decision on 8 June 2020. In my provisional decision, I explained the reasons why I was planning to uphold the complaint I said:

Mrs L says she needed to repressure the boiler on an ongoing basis but Amtrust only has records relating to when she called to report issues generally several months or more apart. Amtrust replaced major components on a relatively new boiler seeking to solve the pressure issue. I doubted it would have done this if a more obvious problem could have been identified. Tests conducted after repairs indicated the system was working correctly.

I thought the cause of the problem wasn't clearly apparent until the pipe failed completely. Damp and decaying timber from a slow water leak sometimes gets noticed because of the smell but doesn't appear to have been apparent here.

However, I thought more could have been done by Amtrust's engineer on the 5 September 2019, given the long history of call outs for the same problem. The engineers report for the visit says "*Water under the kitchen unit*".

Removing the wooden plinth below the kitchen cabinet revealed the damaged pipe. I don't think it reasonable to consider this to have been inaccessible, as Amtrust told Mrs L when she called to complain.

The policy T&Cs contains the following exclusion:

"9.1. When undertaking Claims, we may charge for work required to gain access to your System if it is built into the fabric of your Property. This includes, but is not limited to, pipes buried in walls or floors. Alternatively, we may ask you to have this work completed by a third party."

When Mrs L called Amtrust she was told the leak was under the floor and behind walls, which wasn't covered. Amtrust didn't know this was the case as it hadn't checked. I said a quick check behind the plinth would have shown it wasn't. I didn't agree that wooden plinths clipped to the legs of kitchen cabinets could be considered to be built into the fabric of the property like pipes buried in floors.

This simple investigation would have revealed the problem. If it hadn't perhaps it would be reasonable for Amtrust to want a third party to strip out as required. Had this check been made the engineer may have been able complete the simple repair on the day and Mrs L would have avoided additional inconvenience and frustration.

I said that Mrs L may not be aware but the policy specifically excludes damage caused by vermin. So, the repair would have been chargeable under the policy, had it been carried out by Amtrust. However, she isn't seeking reimbursement for the pipe repair or the damage to her kitchen and wants the termination fee waived instead. She has already paid the majority of the premiums due under the policy.

Amtrust had provided services during the policy year and fixing the problem wasn't covered by the policy. But I think Mrs L suffered more inconvenience than she might have. And I could see why she lost faith in Amtrust's abilities to solve this long standing issue. So, I thought it would be fair and reasonable for Amtrust to waive the termination fee of £74.76 but I don't intend to ask it to do anymore than this.

I asked both parties to send me any more information or evidence they wanted me to look at by 8 July 2020.

Response to Provisional Decision

Mrs L said she accepted the provisional decision but advised she had paid the termination fee as she had received threatening letters about it. She asked if the fee would be refunded.

Amtrust said it also accepted the provision decision and said it would reimburse the termination fee.

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've decided to uphold the complaint for the reasons set out in my provisional decision and to direct Amtrust to reimburse the termination fee paid by Mrs L.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that I uphold the complaint against Amtrust Europe Limited.

I direct Amtrust Europe Limited to pay Mrs L £74.76 in respect of the termination fee she has paid on the policy.

Nigel Bracken
Ombudsman