

The complaint

Mr O and Mrs O are unhappy that Admiral Insurance (Gibraltar) Limited (Admiral) refused to cover the cost of a new boiler after its engineer caused irreparable damage.

What happened

Mr O and Mrs O had Platinum Home Insurance, including home emergency cover, with Admiral. For ease, I will refer only to Mr O throughout my decision.

Mr O reported to Admiral that he wasn't getting any hot water or heating. An engineer attended on the same day and again a week later after speaking with the boiler manufacturer. On the third visit, after parts had arrived, the engineer worked on the boiler. Mr O says there was a gush of water and he had to switch off the water at the mains outside. The boiler was damaged beyond economical repair (BER) and the water had damaged the wooden floor, a cupboard and the foodstuff inside the cupboard.

Mr O says the engineer told him it was his fault and he'd pay for the new boiler out of his own pocket. The engineer said he couldn't close a valve after opening it, which Mr O believes would've stopped the gush of water and minimised the damage caused.

The engineer arranged to come back the following day, but Admiral called Mr O to explain his boiler was damaged BER and, at 16 years old, there was nothing it could do. Mr O complained because his boiler was just over three years old and he thought Admiral should cover the cost of the new boiler he had installed. Admiral said it had made a mistake with the age, but its engineer hadn't caused the damage. It said the manufacturer confirmed the boiler was installed incorrectly, so the engineer's, otherwise correct, actions simply revealed that. Admiral's position hadn't changed and there was nothing it could do.

Our investigator didn't uphold the complaint. He said that the only expert information available reported that the installation was faulty, so it was likely that the engineer hadn't done anything wrong. As Admiral offered to reconsider if Mr O provided a different expert report, our investigator thought Admiral had acted fairly.

Mr O didn't agree. He said again that the engineer had offered to pay for making the mistake, and he thought Admiral should take responsibility for the cost of the new boiler.

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.

While I realise Mr O will be disappointed, I've decided not to uphold his complaint for broadly the same reasons as our investigator. I'll explain.

The main issue of complaint here is whether Admiral's engineer was at fault when repairing the boiler and, if so, whether Admiral should be responsible for the cost of the new boiler. I'll look at the complaint as a whole and decide whether Admiral handled the claim fairly and reasonably.

I've looked at the policy documents and I can see that Admiral doesn't cover the cost of a replacement boiler:

"IMPORTANT

If we are unable to repair your boiler/hot water system, cover under this section will no longer apply. We will not contribute towards the cost of a replacement boiler if your boiler/hot water system is deemed beyond economical repair."

The cover also excludes:

"Any defect, damage or failure caused by:

- *Failure to comply with industry recognised standards*
- *You or your contractor's malicious or wilful action, misuse or negligence*
- *With regards to boilers, any foreseeable breakdown caused by negligence or improper maintenance as judged by our authorised contractor."*

I accept that in both cases the terms are referring to circumstances where the boiler is BER through no fault of Admiral. But, Mr O thinks Admiral is at fault, so I must consider whether it would be fair to ask it to pay anything towards the new boiler.

No-one is disputing the events which led up to the boiler being flooded, including the fact that it was because of what the engineer did that the boiler was flooded. The issue is whether it was because what the engineer did was wrong or, as Admiral says, the boiler was installed incorrectly so the engineer's correct actions resulted in the damage.

I'm not a boiler expert and nor am I expected to be. So, to decide whether Admiral has been reasonable I have relied on the evidence presented.

Mr O says the engineer told him on the day that it was his fault and he'd pay for the new boiler. I'm not doubting Mr O's recollection, but I question whether what the engineer said was as straightforward as that. For example, he may have said *if* it's his fault he'll pay for a new boiler out of his own pocket. I can see how something like that would've been misunderstood. But that's just an example and of course no-one but Mr O, Mrs O and the engineer know what was said.

Mr O also says that the engineer who installed his new boiler couldn't see that the old boiler had been installed incorrectly. Unfortunately, this isn't documented but I have, nevertheless, taken it into consideration.

Turning to the evidence provided by Admiral, the notes recorded on the day state that the engineer turned off the water to the boiler (not from the mains) as he would do normally. So, he would reasonably have expected the boiler to be safe to work on. I can see from the notes, and calls between the engineer and Admiral, that he contacted the manufacturer to seek advice about the boiler because it was an unusual error code. It appears that the manufacturer confirmed the pipework was installed incorrectly, meaning the cold water was flowing into the boiler instead of out. Given the description of events – the gush of water and Mr O having to turn the water off at the mains - that explanation seems reasonable. But I accept what Mr O says about the manufacturer confirming the installation was faulty based only on what the engineer told it. And that could've been incorrect information.

I appreciate that the limited available evidence is conflicting. But I think Admiral's response to this situation was fair. It relied on the expert opinion of both the engineer and manufacturer, and rejected Mr O's request for it to pay for the new boiler. But it didn't dismiss Mr O's request out of hand. It also said that if Mr O provided an engineer report saying the boiler hadn't been installed incorrectly, then it would reconsider his request. In the circumstances, I don't think it would've been reasonable to ask Admiral to do any more without some firm evidence.

I understand that Mr O didn't get a report for personal reasons, and I'm sorry to hear that. But it wouldn't be fair for me to ask Admiral to pay for his new boiler without persuasive evidence that its engineer caused damage.

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 O to accept or reject my decision before 8 January 2021.

Debra Vaughan
Ombudsman