

The complaint

Mrs and Mr U complain about U K Insurance Limited's handling of a home insurance claim and about the claim being declined.

What happened

Mrs and Mr U have a home insurance policy underwritten by UKI, which covers home emergencies amongst other things.

Mr U contacted UKI in October 2019 to report a problem with his boiler. He was without heating and hot water. This was particularly worrying because a number of people living at the home were vulnerable due to health problems.

UKI sent an engineer, who reported that there was an issue with the spark electrodes on the boiler. He said this was a part which would have been maintained or replaced if the boiler had been serviced. And he noted the boiler was 17 years old and hadn't been maintained.

Mr U says the engineer told them he'd order replacement electrodes for the repair.

He says he heard nothing more until he chased UKI three days later, when he was initially told UKI wouldn't be fixing the boiler because it hadn't been maintained.

After speaking to several people (Mr U asked for the call to be escalated), UKI agreed to send an engineer the following day. The engineer eventually attended three days later. Mr U was told they'd been waiting for parts to be delivered.

The engineer attended on two further occasions. At each visit, it appears further issues were identified with the boiler after the intended repair hadn't brought Mrs and Mr U's boiler back to good working order.

On the last occasion, Mr U says he noticed issues with the pressure in the boiler and the over-ride button on the control panel not working. This was in mid-November 2019. He contacted UKI, who got back to him several days later.

At this point, they said the boiler was beyond economical repair and hadn't been maintained, so they were declining the claim.

During this period, Mr U made a number of complaints to UKI. It's not necessary to go into all the detail here. But Mr U initially complained about the service provided when he first reported the problem with his boiler. He said UKI didn't contact him to tell him the claim was declined and he only found out when he chased them about the repairs he'd been expecting.

UKI admitted the service hadn't been what they would expect and paid Mrs and Mr U £220 in compensation.

Mr U then complained about UKI's handling of the claim and their declining it. And he said there had been many delays, failures to call him back, confusion throughout and misrepresentation by the person who'd dealt with his original complaint.

UKI didn't uphold Mr U's complaint. They said the service they provided hadn't been to the standard they'd expect, but the compensation already paid to Mr U was sufficient. And they maintained that the decision to decline the claim was correct because Mrs and Mr U hadn't maintained the boiler.

Mrs and Mr U were unhappy with this outcome and brought their complaint to us. Our investigator looked into and didn't think UKI had done anything wrong.

Mrs and Mr U disagreed and asked for a final decision from an ombudsman.

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.

Mrs and Mr U's policy says UKI will pay for emergency assistance (up to specified cost limits) if the main source of heating in the home fails. And it says they'll contribute £250 towards the cost of a new boiler if the current one is beyond economical repair.

The policy then goes on to set out conditions and exclusions to this provision.

Amongst other things, it says:

“We won't pay for.... any system or appliance which... has not been installed, maintained or repaired in line with the manufacturer's instructions...”

Mr U has himself told us that his maintenance regime for the boiler consists of: using the heating and hot water, turning the boiler on and off, checking and maintaining the pressure and bleeding the radiators.

The manufacturer's instructions for maintaining the boiler are accessible via the internet.

They say the boiler should be serviced annually by a CORGI-registered engineer. They list what that service should include. It's a long list and I won't repeat it all here, but it does include ensuring the electrodes (the original problem with the boiler according to the engineer) are free from corrosion and correctly positioned. And the list does include several tasks which Mr U didn't tell us were included in his maintenance regime for the boiler.

So, according to Mr U's own evidence, he hasn't maintained the boiler in line with the manufacturer's instructions.

I don't think it's an unfair or onerous term in the policy to require the customer to keep their appliances well-maintained. Mrs and Mr U haven't been able to evidence any servicing of the boiler at all – UKI have asked them to do so. And Mr U himself says there's been no servicing for a number of years.

On that basis, I'm satisfied it's not unreasonable for UKI to decline Mrs and Mr U's claim.

As a by-the-way, it seems to me that the persistent faults with the boiler - and different parts of it – do very likely indicate, as the engineer suggested, that the boiler is beyond economic repair and at the end of its useful life. Which is not entirely surprising for a 17-year-old boiler which hasn't been regularly serviced.

Insurance policies will usually cover accidents and unexpected or unfortunate failures in well-maintained appliances which may be expected to last at least that long. They aren't intended to provide replacements when your appliance has worn out through age and/or lack of maintenance.

UKI did confuse things when they reversed their original decision not to cover the claim. I suspect they did so because of Mrs and Mr U's circumstances and a willingness to try to go beyond their obligations for a customer in difficulty.

Whatever UKI's motivations, their attempts to have the boiler fixed went above and beyond the cover provided – and were clearly in Mrs and Mr U's interests. The confusion this caused could have been avoided. And the service provided to Mr U might have been better. But I'm satisfied the compensation already provided by UKI for this is sufficient in all the circumstances.

My final decision

For the reasons set out above, I don't uphold Mrs and Mr U's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs U and Mr U to accept or reject my decision before 3 February 2021.

Neil Marshall
Ombudsman