

The complaint

Mr S complains that Inter Partner Assistance SA (“IPAS”) has treated him unfairly in relation to a claim on his home emergency insurance.

IPAS is the underwriter of Mr S’ policy. To keep things simple, any reference to IPAS includes its agents or representatives unless specified.

What happened

The background of this complaint is well known to all parties, so I’ve summarised events.

- Mr S held a home emergency policy with IPAS;
- In September 2020 his boiler stopped working so he contacted IPAS.
- IPAS sent an engineer later that day to assess the problem. They determined the circuit board of the boiler (“PCB”) would need to be replaced.
- Mr S spoke to IPAS shortly after and was told it was declining the claim as the boiler was beyond economical repair (“BER”) – meaning the repair cost was more than the value of the boiler. And it said the estimated repair cost was more than 80% of his £500 policy limit.
- Mr S complained, but IPAS stood by its decision in light of the age of the boiler saying other parts may also have needed replacing alongside the PCB.
- So, Mr S brought his complaint to this service. He raised a number of concerns about the handling of the claim including the behaviour of the attending engineer and lack of information available to IPAS when it made its decision.
- Our investigator said IPAS had failed to demonstrate where in the policy it was able to restrict the cover to 80% of the policy limit. She also said IPAS had no evidence to support that other parts of the boiler may need replacing. In turn IPAS offered £500 (the policy limit) to Mr S towards the cost of repair or replacement.
- The investigator also considered the behaviour of the engineer and said she could understand why Mr S felt intimidated and concerned in the circumstances. And she said IPAS had failed to provide heaters as it should’ve done in line with the policy terms. Taking into account the impact the lack of heating had on Mr S and his health, and the overall claims handling, she recommended IPAS pay £250 in compensation in addition to its previous offer.
- IPAS agreed, but Mr S didn’t. So the complaint has been passed to me for an ombudsman’s final decision.

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’m upholding this complaint for the reasons already given by our

investigator. I'll explain why.

IPAS initially declined Mr S' claim but has since agreed to pay £500 to him towards the cost of repairing or replacing his boiler. I'm satisfied it declined the claim unfairly for the reasons previously given. And as the offer it has made since is the policy limit of his cover, I'm satisfied this is a fair resolution to the claim itself.

I've next thought about the impact of its decision to unfairly decline the claim. This left Mr S without proper heating for some time, and alongside this IPAS failed to provide portable heaters as it should've in line with the policy terms. I've thought carefully about this and considered Mr S' own ability to mitigate the loss.

I've also considered Mr S' complaint about the engineer that visited his home. And I can see why the behaviour described would've been concerning to Mr S. But I also can't ignore that this didn't impact the outcome of the claim or cause any delays.

Overall, I'm satisfied £250 in compensation is a fair and reasonable sum in the circumstances for the mistakes made by IPAS.

My final decision

I uphold this complaint and direct Inter Partner Assistance SA to pay Mr S:

- £500 it has already offered (if it hasn't done so already); *and*
- £250 in compensation for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 17 August 2021.

Jack Baldry
Ombudsman