

The complaint

Mrs O complains about the way AWP P&C SA handled a claim she made on her home emergency insurance policy

What happened

In January 2020, Mrs O's boiler broke down, leaving her without any heating or hot water. She made a claim on her home emergency insurance policy. An engineer attended Mrs O's home and told Mrs O she'd need a new gas valve. He managed to get the boiler turned back on. However, that night, the boiler turned itself off again and couldn't be turned back on.

Mrs O says she made a number of calls to AWP, as she was once again without heating or hot water. But around four days later, as the boiler was still broken, Mrs O arranged her own engineer. They diagnosed that the boiler needed a new thermocouple and a new programmer. These parts were replaced, meaning that Mrs O's heating and hot water were restored. Mrs O asked AWP to reimburse her costs of £351.27.

AWP refused to refund Mrs O's costs. It said the policy terms specifically excluded any costs which it hadn't pre-authorised. Mrs O was unhappy with AWP's decision and she asked us to look into her complaint.

Ultimately, AWP offered to reimburse Mrs O's costs of £351.27, together with compensation of £100 to recognise her trouble and upset. Mrs O accepted this offer, which our investigator thought was fair and reasonable.

However, despite Mrs O accepting AWP's offer on 4 May 2021, the settlement hasn't been paid and AWP hasn't been in contact with her. So the complaint's been passed to me to make a formal 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 uphold Mrs O's complaint and direct AWP to settle Mrs O's costs of £351.27 and pay her compensation of £100 because:

- While AWP sent an engineer to Mrs O promptly, it appears that the fix he carried out failed very shortly afterwards. This left Mrs O without hot water or heating during the coldest part of the year.
- Mrs O says she tried to get in touch with AWP to arrange a new engineer to visit her home, without success. It appears she tried to comply with the policy terms, but AWP was unable to confirm when an engineer could attend. This meant she remained without heating for around four additional days, before she organised an independent engineer to visit. I think, given Mrs O is elderly and given the time of year, it was more than reasonable for her to engage her own engineer to carry out the repairs.

- The independent engineer was able to promptly diagnose the actual fault and carry out the necessary part replacements, restoring Mrs O's heating and hot water. So it seemed AWP's engineer misdiagnosed the fault at the outset, leading to unnecessary further delays in the fix being carried out.
- AWP agreed to settle Mrs O's costs and pay her £100 compensation. Mrs O accepted this offer. It seems to me then that AWP and Mrs O entered into a legally-binding contract for these costs to be met by AWP. But it hasn't yet met these costs and hasn't got in touch with Mrs O to arrange payment. I'm satisfied it now needs to fulfil the terms of this contract. If Mrs O is unhappy with the further delays she's experienced, it's open to her to raise this with AWP.

My final decision

For the reasons I've given above, my final decision is that I uphold this complaint.

I direct AWP P&C SA to:

- Reimburse Mrs O's costs of £351.27
- Pay Mrs O £100 compensation

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 7 September 2021.

Lisa Barham
Ombudsman