

The complaint

Mrs O complained that a repair was delayed, and a further claim was declined under her home emergency policy with AWP P&C SA (“AWP”).

What happened

Mrs O’s boiler broke down and she made a claim on her policy as she had no hot water. She was told by AWP that she needed to provide evidence that her boiler was serviced within the last two years, as it said this was part of the terms and conditions of her policy. Mrs O said she was unaware of the policy term.

Mrs O was distressed and escalated her claim within AWP, and she informed it of her own personal circumstances that put her in a vulnerable position. This prompted AWP to have the claim reviewed by one of its managers. However, Mrs O said AWP didn’t respond to the escalation, nor on three further occasions when she called it. Mrs O then escalated her claim further to AWP’s executive office.

Due to her circumstances, AWP decided to waive its terms and conditions and chose to help Mrs O as she was in a vulnerable situation.

Mrs O says she continued to experience delays in getting her boiler repaired. Engineers, on behalf of AWP, had left cards outside of her front door to say they had tried to access her property. Mrs O said she didn’t leave her house during that period, and she didn’t understand why the engineers would not post the cards through her post box.

Later, Mrs O had a new issue with her boiler and had the expansion vessel and pressure relief valve repaired by her own contractor. She made a claim to AWP for the £40 repair cost. AWP declined the claim, as it said Mrs O had not made it aware of the emergency within 48 hours of noticing the emergency, which was a condition of the policy.

Our investigator partly upheld the complaint. She didn’t think it was fair leaving a vulnerable customer for two days without acknowledging her claim had been accepted. She didn’t think the apology AWP gave for its lack of communication was enough, so she awarded £150 for the distress and inconvenience caused by the delays Mrs O experienced. However, she thought AWP was fair to decline the claim for £40 in line with its terms and conditions. Mrs O disagreed, so the case has been referred to an ombudsman.

My provisional decision

I issued a provisional decision on this on 14 September 2021. I said:

“I will consider the complaint in two parts. Before I do, it’s worth clarifying that Mrs O’s original policy was taken out with one insurer in 2002, but since June 2020 the home emergency part of this policy was transferred to AWP. Along with the transfer, AWP changed the terms and conditions. The change to these terms and conditions has been raised as a separate complaint by Mrs O, so I won’t be considering this aspect as part of my decision here.”

Delayed repair (claim 1)

Mrs O said she was unaware of the need to have her boiler serviced every two years for her cover to remain valid. AWP has provided the policy terms. I have checked these terms and they state:

- “Your central heating boiler should be properly installed and repaired, in accordance with the manufacturer’s recommendations and serviced and maintained at least every 24 months.*
- Written confirmation of your last boiler service may be required in the event of a claim.*

Exclusions

- Claims where you cannot provide written evidence that the primary heating system has been serviced within the last 24 months*

As Mrs O was unable to evidence that she’d had her boiler serviced within two years, AWP would’ve been fair in declining Mrs O’s claim in line with the terms and conditions of the policy. AWP did decline the claim at first, but Mrs O insisted her claim should be accepted. She said the policy she accepted originally in 2002 didn’t have any exclusion clauses.

I have reviewed the communications between Mrs O and AWP during the claim period. Mrs O first call was logged on 12 August. Mrs O sounded upset and explained her circumstances. I am persuaded Mrs O was in a vulnerable situation and with no hot water she felt in a desperate position. The advisor was unable to help and explained that the claim couldn’t be accepted due to the terms and conditions. The call was escalated to management, but no one called back that day. Mrs O called twice more on the following day but didn’t receive a call back in response to the escalation. Mrs O reiterated her vulnerable circumstances and explained she’d escalated the complaint further to AWP’s chief executive officer and was planning to raise a complaint to our service.

AWP wrote to Mrs O on 14 August to say it would honour her claim. It said “our offer to assist her was made as a gesture of goodwill as she was a vulnerable customer and not because of failings on our part”. I recognise that AWP has been fair in providing Mrs O with an emergency service when she strictly didn’t meet their terms and conditions. It took her vulnerability into account and took appropriate action.

However, I do think it left Mrs O in a desperate position for two days before she knew action was being taken. I think Mrs O would’ve thought she’d had a genuine claim. She paid her premiums in advance. So, it’s reasonable to assume that if she’d known she needed to have her boiler serviced every 24 months she would’ve done. She sounded confused on the phone calls. It was clear from the calls that I listened to that Mrs O set out her vulnerability, so I think AWP should’ve acted quicker to deal with the situation. For the distress and inconvenience these delays would’ve caused Mrs O in her circumstances, I am intending to uphold this aspect of the complaint, and award £150 compensation. I don’t think a simple apology has gone far enough in this situation.

I have also considered the time it took for the repair to be made and the impact this had on Mrs O. AWP said it struggled to get access to the property. It said Mrs O’s preferred contact method was by email and Mrs O was unhappy when she was contacted by phone. There’s evidence, AWP’s appointed engineers attended Mrs O’s property as they left cards outside Mrs O’s property to show they had been there. Its odd that the engineers attended, and Mrs O didn’t hear them, but as I can’t be sure what happened I won’t be able to say anyone has

done anything wrong. However, I have reviewed evidence from the complaint, and I can see AWP recognised the specific contact requirements Mrs O had specified and I can see that it did try to make reasonable adjustments to allow for this. Therefore, I don't think AWP did anything wrong here.

Declined claim (claim 2)

Mrs O later made a new claim for repairs her own contractor made to her boiler. AWP declined this claim, it said "As the customer didn't make contact with us at the time, we're not able to consider this cost. The policy terms and conditions state that the customer must contact us within 48 hours of noticing the home emergency situation. In addition, I don't believe the customer has had the boiler serviced within the last 24 months, therefore, she wouldn't be entitled to any assistance".

This second claim was made after the first delayed claim (claim 1). At this point, I think Mrs O should've been clear of the terms and conditions of the policy after the communications she had with AWP in relation to the first claim. Mrs O said she didn't want to raise the claim with AWP. I know Mrs O had previous issues with AWP, but I don't think it's fair to expect them to cover costs for a repair it was not made aware about as it wouldn't have been able to do anything about it. As AWP has applied the terms and conditions fairly to decline this second claim and Mrs O would've been aware of these terms, I think AWP have been fair in declining this claim. The purpose of the policy is an emergency policy only. Therefore, I don't intend to uphold this aspect of the complaint".

Responses to my provisional decision

AWP accepted my findings and didn't have anything more to add.

Mrs O said she didn't agree with my provisional decision, as she said *"the claims are interwoven - the claim for £40.00 is not a new claim, it was part of the ongoing claim"*.

The other information provided by Mrs O was considered as part of the provisional decision, so I won't repeat it here.

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.

Given neither party has provided any new information, I see no reason to change my provisional decision. Mrs O's claim for £40 was later and after her first claim had been resolved, so I think AWP has been reasonable in treating it as a separate issue.

My final decision

My final decision is that I partly uphold this complaint.

I require AWP P&C SA to pay Mrs O:

- £150 compensation – for distress and inconvenience caused by the delays.

AWP P&C SA must pay the compensation within 28 days of the date on which we tell it that Mrs O accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 26 October 2021.

Pete Averill
Ombudsman