

The complaint

Mr A complains about AmTrust Europe Limited's (AmTrust) handling of his claim under his home emergency insurance.

The underwriter for the policy is AmTrust.

What happened

Mr A had home emergency cover which covered his boiler for breakdowns as well as provided for an annual service. In July 2020 Mr A's boiler was serviced by an AmTrust engineer, who found that some parts needed replacing.

At the beginning of August, another engineer returned to fit the parts and dismantled the boiler. He found that the parts didn't fit and tried to re-assemble the boiler but wasn't able to. So, he left Mr A's boiler not working and condemned it. Mr A said that from that day, he was without heating or hot water.

For the next few days, Mr A contacted AmTrust to chase for updates. On 14 August 2020, another engineer attended and advised that another part was required. Mr A was told that an engineer would attend the next day to install it. No one attended. Instead, Mr A received a call from AmTrust who told him that the parts weren't available. It also said that once the part was received, an engineer would return and complete the repair.

Mr A said that he didn't hear from AmTrust again. And because of the lack of heating and hot water, as well as the stress this caused to him and his family, he decided to contact the boiler manufacturer, who came and fixed the boiler at a cost of £298.

Mr A complained to AmTrust. AmTrust said that it spent several weeks trying to contact Mr A to resolve his complaint. But, despite asking Mr A to contact them, he didn't do so. So, it didn't uphold his complaint.

Mr A referred his complaint to our service as he wanted AmTrust to reimburse the £298 he paid for his boiler to be repaired. As well as £2,000 per day compensation, for the loss of the heating and hot water. Making a total of £34,298.

In its final response, AmTrust recognised that there were service failings and poor communications. It apologised for the distress and inconvenience it caused and offered compensation of £175, in recognition of this.

Mr A didn't accept this outcome and one of our investigators considered his complaint. His view was that AmTrust had accepted that there had been service failings but the offer of compensation, didn't go far enough for the impact of the loss of heating and hot water on Mr A and his family. He recommended that AmTrust reimburse Mr A's engineer's cost of £298, as well as increase the compensation award to £350.

Both parties didn't accept our investigator's view. Mr A said that he didn't feel happy about the £350 compensation, as it didn't take into account the mental stress, mental torture and trauma. He also didn't feel that the reimbursement for the engineer's costs of £298 was fair.

AmTrust said that at the time of the event, the weather was warm. Mr A provided no evidence of any vulnerabilities that would've required him or his family to have the heating on 24/7. As to the compensation it offered, it said that this was in line with our services previous adjudications and was fair, given the circumstances of this complaint.

Both parties asked for a 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.

I considered the complaint and I thought the complaint should be upheld. I issued a provisional decision on 5th November 2021 and asked both parties to send me anything else by 3 December 2021. In my provisional decision I said:

Having done so, I'm minded to uphold this complaint. My findings are broadly the same as our investigator, which I expect Mr A will be disappointed with, but I will explain why I think this is fair.

Mr A had a home emergency policy with AmTrust that covered his boiler for annual services and breakdowns. Following the annual service in July 2020, the engineer diagnosed that upgraded parts were needed for Mr A's boiler. The evidence shows there were service failings. Those failings culminated in Mr A having to instruct the boiler manufacturer to carry out the repairs that AmTrust didn't complete.

AmTrust accepted and apologised for those failings, as it recognised that there was poor communication, Mr A had to chase for updates and there had been several engineer visits, before the issue with the boiler was resolved. Mr A didn't agree with AmTrust that there was a fault with his boiler at the time of the annual service. I have considered the safety records and summary of work, which the engineer completed. Both records are consistent in confirming the work carried out and I note that both records were signed as accurate by Mr A. The records indicate that there had already been damage on Mr A's boiler. But not withstanding this, Mr A still had to instruct an independent engineer to complete the repairs, AmTrust wasn't able to.

I understand how stressful this event was for Mr A, not least as AmTrust were unable to complete the repair of his boiler. Mr A said that it cost him £298 for the boiler to be repaired. AmTrust has now confirmed that it should've resolved the issue with Mr A's boiler much sooner. It has accepted that it should reimburse the extra costs Mr A incurred for the repair of the boiler. I'm satisfied that it is fair and reasonable for AmTrust to reimburse the £298, on production of an invoice, from Mr A.

I have next considered the level of compensation. Mr A is seeking £34,000 for the 17 days that he was without heating and hot water, due to the distress and inconvenience caused. I have carefully considered this amount. But I must point out that what we do is look at the impact the business' mistake has had on the consumer.

Mr A said that the whole event caused him mental torture, mental trauma and mental stress. He explained that his household comprised of three adults with no vulnerabilities. But that he had to use portable heaters to heat his home and had to boil water for bathing.

AmTrust said that it was unlikely that Mr A would require heating 24/7 during the 17-day period, as it believed that the weather at the time was mild. In addition, Mr A hadn't informed them of any vulnerabilities from the adults in the home that would require the heating to be on constantly.

Where there is a dispute, we have to make a finding on the balance of probabilities. I have considered the local weather reports from 4 August 2020 for the 17 days that Mr A said he was without heating. Those reports are usually the best evidence I can rely on. During that period, in Mr A's area, the weather was mild, and some days had high temperatures. So, I'm persuaded by AmTrust who said there wouldn't have been a need to heat the house constantly.

However, Mr A said that there was also a loss of hot water. He said that he suffered from mental trauma as a result of the event. I haven't been provided with any medical evidence or further information about the mental trauma Mr A said he suffered from. So, although I accept that this would've been a stressful event and I understand that Mr A is seeking a greater amount of compensation, there is no evidence to independently support the trauma Mr A said he suffered from.

Furthermore, as we are an informal dispute resolution service, our role isn't to fine or to punish the businesses we cover. Rather, we look at the effect on the customer including their upset. I have to consider what is fair and reasonable in the circumstances and I'm satisfied that the £175 offered by AmTrust, is reasonable and in line with what I would've recommended.

If Mr A can provide any medical evidence that he wishes me to consider regarding the mental trauma he said he experienced, then I will consider it.

Responses to my provisional decision

AmTrust accepted my provisional decision.

Mr A said that he had nothing further to add.

Given the responses, my provisional decision is the same as my final decision.

Putting things right

I direct AmTrust to put things right as I set out below.

My final decision

For the reasons I've given, I uphold Mr A's complaint.

I direct AmTrust Europe Limited to:

Reimburse the cost of the independent engineer of £298, on production of an invoice from Mr A.

To pay Mr A £175 compensation for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 December 2021.

Ayisha Savage
Ombudsman