

The complaint

Mr F complains about AWP P & C SA (AWP), who declined his claim under his home emergency policy.

What happened

Mr F held a home emergency policy with AWP that covered his boiler amongst other things. His boiler broke down (by not producing hot water) and he contacted AWP to make a claim. It sent an engineer who attended, adjusted the pressure on the boiler and left. The engineer told AWP that the boiler was correctly working and didn't carry out any repairs.

Mr F was unhappy about this as his boiler still had a fault and asked AWP to send another engineer to repair it. AWP didn't respond to Mr F, so he instructed an independent engineer to carry out a temporary repair on his boiler. Mr F contacted AWP again to see if it would repair the boiler and when he heard nothing, he instructed the engineer to carry out a complete repair of the boiler, at a cost to him of £180.

Mr F submitted his invoice to AWP for it to cover the costs. AWP replied that the engineer had found no issue with his boiler and the boiler was providing some hot water and hadn't completely failed. So, AWP declined his claim in line with the policy terms and conditions.

Mr F didn't agree with AWP as he said that his boiler had completely broken down as it couldn't produce constant hot water. So, he referred a complaint to our service.

One of our investigators considered the complaint and thought that it should be upheld. He said that AWP had not fairly declined the claim. Mr F's boiler couldn't produce constant hot water. And as there was no definition of what 'complete failure' meant, he was satisfied that the boiler wasn't working correctly. He recommended that AWP reimburse the cost of the independent engineer of £180 and pay £250 compensation for the trouble and upset caused.

Mr F accepted the view, AWP did not respond and because of this, it has been referred to an ombudsman for a 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 will be upholding this complaint and I hope my findings go some way in explaining why I've reached this decision.

Mr F held a home emergency policy with AWP, and it provided cover for the primary heating system, failure of electrics, plumbing and heating amongst other emergency perils. I have considered the policy terms and conditions and in relation to the cover for the primary

heating it provides: *'Complete failure or breakdown of either the heating and/or hot-water supply provided by the **primary heating system.**'*

I have had a thought about what this means and I think it means that where the primary heating system either completely fails or breaks down and results in loss of heating and/or hot water, then this is covered under the policy.

Mr F reported to AWP that he had lost hot water. It sent an engineer who Mr F said spent a short time at his home and left without carrying out any repairs. Mr F said that his boiler became progressively worse and AWP failed to respond to his requests for another engineer to repair his boiler.

AWP said that as Mr F's boiler had provided some hot water, it hadn't completely failed. But I don't think the term relates just to a complete failure but also includes a breakdown. There is no definition of a breakdown in the policy terms. In these circumstances, the ordinary meaning of breakdown would apply. In that, there has been a mechanical or electrical fault with the boiler that causes it not to work efficiently or not to work at all.

AWP said that the boiler produced some intermittent hot water. Mr F said that there was no hot water and he had to resort to boiling water for his daily needs. I'm satisfied that the boiler wasn't working efficiently, as it would be reasonable to expect that a boiler would produce hot water on demand. And the production of intermittent hot water doesn't show a correctly working boiler.

Also, Mr F had to instruct an independent engineer to repair the boiler and has provided the invoice confirming the cost to him. I think that had the boiler been in good working order, it would have been unlikely that the engineer would've had to change parts in it. Further, had the boiler been fixed by the engineer sent by AWP, then I think that Mr F wouldn't have needed to use the independent engineer to repair his boiler. Consequently, I don't think AWP were fair in declining Mr F's claim.

Mr F explained that he was without hot water for around two weeks over Christmas and that he was frustrated by AWP's lack of response. So, I think it's fair that AWP recognise the poor customer service and the impact this had on Mr F, by paying compensation of £250 for the trouble and upset caused. Also, AWP should reimburse the independent engineer's cost of £180.

Putting things right

Given the circumstances, I think it's fair that AWP P & C SA put matters right, as I direct below.

My final decision

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

To put matters right, AWP P & C SA to:

To reimburse Mr F's cost of the independent engineer of £180.

AWP P & C SA to pay Mr F £250 compensation for the trouble and upset caused.

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

If AWP P & C SA considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr F how much it's taken off. It should also give Mr F a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 3 March 2022.

Ayisha Savage
Ombudsman