

The complaint

Mr M and Ms S complain about how Inter Partner Assistance SA handled their claim when their underfloor heating system broke down.

What happened

Mr M and Ms S have home emergency cover which is underwritten by IPA. In early April 2021 their downstairs underfloor heating (UFH) broke down and Ms S contacted IPA to make a claim. She was initially told that UFH wasn't covered by her policy. She asked to speak to a manager as she said this wasn't made clear in her policy. IPA called her back and she was told her claim had been accepted and an engineer would be sent out.

When she heard nothing further Ms S called IPA again and was told they couldn't send an engineer who could deal with UFH. She was told to arrange her own engineer and she'd be reimbursed up to £500 towards the repair costs. Ms S arranged her own repairs which cost £144. But when she sent details of the claim to IPA, she was told that her claim wasn't covered under the terms of her policy, so the repair costs wouldn't be reimbursed.

IPA paid Mr M and Ms S £75 compensation. Ms S believed this was offered because they couldn't send out an appropriate engineer. She says she only accepted it as she believed IPA were going to reimburse her engineer's costs. And she wasn't happy when they later said this sum was offered to cover the inconsistent advice she was given, about whether her claim was covered by her policy.

Ms S complained to IPA as she wanted them to honour what they'd told her and reimburse her repair costs. And she wanted compensation for their poor handling of her claim and the stress and inconvenience this had caused. IPA didn't uphold the complaint as they said UFH wasn't covered by her policy, and they'd already provided compensation for the inconvenience she'd suffered.

Mr M and Ms S then complained to our service. Our investigator considered the case and said UFH was the only heating system Mr M and Ms S had on their ground floor. But their upstairs heating system was still working. And the terms and conditions of their policy say that IPA will cover "*total failure of your central heating system between the months of September and April inclusive*". So she thought it was fair for IPA to say there was a partial failure of the heating system which wouldn't be covered under the policy.

She agreed that IPA shouldn't have told Ms S that her claim would be covered up to £500 for repairs and didn't think the £75 compensation IPA had paid was enough. She felt that overall, £130 was a reasonable amount to compensate Mr M and Ms S for the distress and inconvenience they'd suffered.

IPA agreed to pay Mr M and Ms S the further £55 recommended by our investigator. But they weren't happy with this. Ms S responded to our investigator with the following points: -

- IPA only referred to the total failure of the heating system being a condition for accepting the claim after she'd been told the claim was accepted and she should

organise her own engineer.

- The policy doesn't say UFH heating isn't covered, but this was the reason she was initially given for the for the claim being declined.
- She was told her claim had been accepted and she should arrange her own engineer, and she'd be reimbursed up to £500. She wasn't told they'd be a further review until after she'd submitted her claim for reimbursement.
- The £75 compensation she received was because IPA didn't book an engineer as they'd promised, they failed to deal with the repair within a specified timeframe and they couldn't send a suitably qualified engineer.
- They'd accepted the claim so if they'd been able to send a suitable engineer, she wouldn't have incurred any costs.
- Had she been advised correctly she could have organised an engineer more quickly. She would have experienced less stress and frustration and wouldn't have had to deal with the unpleasant call she's complained about.
- If she'd known she was paying for the repairs she'd have obtained several quotes rather than accepting the first one she received.
- Having accepted her claim she believes IPA need to cover the cost of the repairs and compensate her for the stress and inconvenience she's suffered because of their poor handling of her claim.

The case then came to me for decision.

I issued my provisional decision on 28 February 2022. And in it I said: -

Looking at the terms and conditions of Mr M and Ms S's policy I agree with IPA that the problem with their downstairs UFH wasn't covered. This isn't because it was UFH, but simply because the policy only covered them for the *"total failure of your central heating system between the months of September and April inclusive"*.

So Ms S should never have been told that the claim was covered, or to arrange her own engineer whose costs would be covered up to £500, the policy limit. But simply because a business has got something wrong this doesn't mean that we'll tell them to pay a claim that isn't covered by the policy.

IPA should have made it clear from the outset that the claim wasn't covered and referred Ms S to the correct policy term, rather than saying the policy didn't cover UFH. And when Ms S challenged this, they shouldn't have agreed to cover the claim and advised her to arrange her own engineer. But this is what they did.

I accept what Ms S has told us about the £75 compensation IPA paid and that this was for failing to send out an engineer as promised, and telling her to arrange her own engineer as they didn't have anyone suitably qualified to work on UFH. And at the time this offer was made I also accept that Ms S had been told her claim was accepted. It was only later that she was told this sum was compensation for the poor customer service she'd received.

I think that IPA have provided poor customer service throughout Mr M and Ms S's claim. And I don't think the additional £55 compensation our investigator recommended is enough to compensate them for this.

In addition to giving Ms S the wrong explanation for why the claim wasn't covered, IPA then agreed to cover the claim only to tell her the claim was subject to a further review when she submitted her engineer's invoice for reimbursement. Only at this point was she finally told the claim wasn't covered.

I've listened to the call Ms S made to IPA about her claim. Having done so I understand why she's raised this as part of her complaint. It's a long call, running to about 30 minutes. Ms S wanted to go through how her claim had been handled at get IPA's response to the various points she'd raised. This is the first time Ms S was told that the £75 compensation was intended to cover the poor customer service she'd received. I think the call handler was abrupt and dismissive of Ms S. She interrupts Ms S and talks over her many times, even when Ms S has asked her to let her finish what she's saying. And this is also when Ms S was told that after she'd been told to arrange an engineer and submit the invoice for payment, her claim was still subject to a further review.

I'm persuaded that Mr M and Ms S have received very poor customer service from IPA. They've provided incorrect and inconsistent advice when they should have simply told them that their claim wasn't covered because their whole heating system hadn't failed. So they've prolonged the claim when Mr M and Ms S could simply have arranged their own engineer immediately. It's difficult for me to say if Mr M and Ms S could have found someone to complete the repairs for less than £144, as they didn't obtain any additional quotes. And I can't tell IPA to pay the cost of the repairs as they aren't covered by their policy.

But I can award compensation for the poor customer service Mr M and Ms S received from IPA. And taking everything into account, including the call I've referred to, I think £250 is the appropriate figure. This is in addition to the £75 IPA have already paid.

So my provisional decision was that I upheld Mr M and Ms S's complaint.

Since I issued my provisional decision both parties have indicated that they accept it.

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.

As both IPA and Mr M and Ms S have told us that they accept my provisional decision there's no reason for me to review what I've said.

My final decision

For the reasons set out above and in my provisional decision, my final decision is that I uphold Mr M and Ms S's complaint about Inter Partner Assistance SA.

And to put things right I require them to pay Mr M and Ms S a further £250 compensation for the distress and inconvenience the poor handling of their claim has caused them.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Ms S to accept or reject my decision before 12 April 2022.

Patricia O'Leary
Ombudsman