

The complaint

Mrs A complains that she replaced her boiler unnecessarily after Inter Partner Assistance SA (IPA) incorrectly diagnosed it as beyond economical repair. Mrs A had Home Emergency cover with IPA, provided through her bank.

What happened

Mrs A's boiler stopped working so she contacted IPA. Its engineer arrived the same day. Mrs A said the engineer told her the cost to repair wouldn't be worthwhile and advised her to get a new boiler.

Mrs A's own engineer installed a new boiler, but it didn't work. The engineer carried out checks on advice from the manufacturer and, after a short delay, identified that the boiler wasn't at fault. The engineer found that only the external pump and wiring was faulty, and it was likely to be the cause of the original boiler fault.

Mrs A complained to IPA that she'd had a new boiler installed on advice from its engineer, which turned out to be incorrect. She was unhappy that she'd paid for a new boiler when the pump repair would've been much less expensive.

IPA accepted that the pump might've been the cause of the original boiler problem, but as Mrs A used her own engineer thereafter, there was no opportunity for IPA's engineer to diagnose the fault. IPA also said it didn't find any evidence that its engineer had advised Mrs A to replace her boiler. IPA paid Mrs A £250 towards the cost of her new boiler, which she was entitled to under the terms of her policy. It also paid her the remainder of her policy, which came to £86.

Mrs A didn't think it was enough and she wanted IPA to cover the full cost of her boiler.

Our investigator upheld Mrs A's complaint. He said if IPA had carried out a thorough check, it would've found the fault with the external pump and wiring. Our investigator recommended that IPA pay the difference between the cost of the boiler and what Mrs A would've paid for the pump repair. He calculated that to be £1,375. In addition, our investigator recommended £100 compensation.

IPA didn't agree. It said if its engineer had been able to attempt a repair, it's likely they would've found the true fault. IPA said the policy didn't provide cover to the level recommended by our investigator, and Mrs A would've had to pay for the other boiler repairs needed.

I issued a provisional decision in May 2022 explaining that I was intending to uphold Mrs A's complaint, but with a different outcome. Here's what I said:

provisional findings

I've provisionally decided to uphold Mrs A's complaint. However, I'm not planning to ask IPA to reimburse the full difference between the boiler and repair costs. I realise this will come as a disappointment to Mrs A, but I'll explain my reasons.

Mrs A says IPA's engineer advised her to get a new boiler because the repair costs wouldn't be worth paying. IPA says Mrs A chose to have a new boiler after it advised her of the repair costs, and arranged for her own engineer to instal one.

There's no evidence of what was discussed so it's impossible for me to say which of these is an accurate version of events. So, I've looked at what is likely to have happened based on the evidence that is available, and how IPA handled Mrs A's complaint about the boiler to determine whether its offer to contribute towards the new boiler was fair and reasonable.

It's clear that IPA thought it could repair the boiler because it confirmed that it would need to order a new circuit board, and its notes show the total cost of repair would be over £500. The engineer simply recorded that Mrs A decided to get a new boiler. The boiler was around 18 years old and, while not necessarily at the end of its economic life, it's not unreasonable to think that paying towards a new boiler was more cost effective than repairing an old one.

Mrs A arranged for her own engineer to instal a new boiler. After the new boiler was installed, and didn't work, an external fault was identified. So there was a fault which was independent of the boiler, meaning Mrs A needn't have bought a new one. I can see why Mrs A found that frustrating. Her outgoing cost could've been limited to the external repair cost alone.

I've looked at whether IPA should've found the fault before explaining that it needed to order a new circuit board, which in turn led Mrs A to instal a new boiler instead of bearing that cost. Mrs A's engineer didn't identify the true fault either until a new boiler had been installed. That diagnosis came after first troubleshooting with the manufacturer's help followed by a visit to replace the circuit board – the same repair IPA had intended to complete. This tells me the fault wasn't readily apparent. IPA didn't have a further opportunity to work on the boiler after the initial visit, so I can't reasonably hold IPA's engineer to a higher standard than Mrs A's engineer or the boiler manufacturer. Therefore, I don't think it's fair to say IPA was at fault for not identifying the problem at the first visit.

IPA provided Mrs A with £250 towards her new boiler, in line with the policy. It also paid her the remaining value of the contract at £86. Mrs A doesn't think that's enough, and she'd like the full cost of her new boiler reimbursed. Mrs A would always have had to pay towards repairs or replacement over £250 (the policy limit), so I can't agree it would be fair for IPA to pay the full cost of the new boiler. That's not something the policy provides for. But, because there's no firm evidence to say what advice IPA gave when its engineer first attended, I think it's reasonable that both parties contribute towards the cost of the boiler.

IPA recently offered to settle the complaint with a further contribution of £500 towards the boiler and the payment of £100 compensation recommended by our investigator. That means its overall contribution towards the boiler would be £750, plus £86 for the remaining contract and £100 compensation. Given that the policy limit on contributions to a new boiler is £250, I'm satisfied that IPA's offer is reasonable.

So, in the absence of any clear evidence that IPA advised Mrs A to instal a new boiler, I'm satisfied that IPA's recent offer to contribute is fair and reasonable.

I said I was intending to uphold Mrs A's complaint and I was minded to require Inter Partner Assistance SA to:

- *pay Mrs A, if it has not already done so, £100 compensation; £86 for the remainder of the contract, and a further £500 towards the new boiler, in addition to the policy provision of £250. The total sum payable to Mrs A would be £936.*

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

IPA accepted my provisional decision.

Mrs A responded to say:

- her boiler wasn't as old as IPA said it was;
- IPA didn't advise her to use its engineers to replace the boiler;
- the engineer she employed was only there to replace the boiler, not fault-find, and
- she'd already provided evidence that she was advised to get a new boiler.

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.

Although I realise Mrs A will be disappointed, I've reached the same decision, for the same reasons as set out in my provisional decision. I'll explain by responding to each of her further comments.

Boiler age

Mrs A said her home was only around 16 years old when IPA's engineer attended, therefore the boiler couldn't have been 18 years old as stated.

IPA's records listed the boiler as "around" 18 years old, but I fully accept Mrs A's clarification. For information, boilers are expected to have an economic lifespan of around 10-15 years.

IPA didn't advise Mrs A to use its engineer

In her call with IPA, Mrs A asked whether she needed to use its engineer. IPA advised her she could choose whether to use its engineer or employ a private engineer. I don't think IPA was wrong to tell Mrs A that she could choose to use whoever she wanted, especially as she may have been able to source a better price elsewhere.

However, the point I made in my provisional decision is that because Mrs A used a private engineer, IPA didn't have any further opportunity to identify a fault. Had she employed its service again, then the IPA engineer may have followed the same process as her own engineer and identified the fault.

I understand Mrs A thinks that means IPA didn't carry out a good enough inspection in the first place, but I don't agree. I'll explain why in the next point.

Mrs A's engineer was not employed to fault find

She explains that the engineer was there to replace the boiler, and, because of that, Mrs A said there was no reason for her engineer to spend time inspecting the boiler. I don't dispute this. The reason I made a comparison was because after replacing the boiler, Mrs A's engineer couldn't immediately identify why it wouldn't work. He went on to trouble-shoot with the manufacturer and ordered a new circuit board before identifying the real fault. IPA's engineer also provided costings for a new circuit board at its first and only inspection.

So, the point I made was that the true fault wasn't immediately obvious to either engineer, so I see no reason to hold IPA's engineer responsible for not finding the true fault on the first visit.

Evidence that IPA's engineer advised Mrs A to get a new boiler

Mrs A said a call recording of her conversation with IPA's agent confirmed that the engineer advised her to get a new boiler. I listened to the call again and I can't agree. Mrs A tells the agent that she was advised to get a new boiler and she asks about the £250 contribution covered under her policy. IPA's agent said, "yes I can see that on here, they have provided us with costings which obviously will exceed the current value of getting a new boiler". Looking at IPA's records, the engineer provided costings for a new circuit board, not a new boiler. So, here, I'm satisfied that the agent simply accepted Mrs A's comments that she needed a new boiler based on the cost to repair, rather than confirmed the engineer said she needed a new boiler.

Summary

Given that the boiler was at the upper end of its economic life, and the cost to repair was quite high, I can understand that there may well have been a conversation about whether to repair or replace. But I remain of the view that there is no clear evidence that IPA said Mrs A needed to replace her boiler. Based on the evidence, I think it's more likely than not that there has been some misunderstanding about what was discussed and for that reason I think it's fair that both parties contribute to the cost of the new boiler.

My final decision

For the reasons I've explained above, and in my provisional decision, I uphold Mrs A's complaint and Inter Partner Assistance SA must:

- pay Mrs A, if it has not already done so, £100 compensation; £86 for the remainder of the contract, and a further £500 towards the new boiler, in addition to the policy provision of £250. The total sum payable to Mrs A would be £936.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 24 June 2022.

Debra Vaughan
Ombudsman