

The complaint

Ms S complains about U K Insurance Limited (UKI) under her home emergency policy. Her complaint is that UKI didn't deal with a boiler fault that left her without heating or hot water, because they said the boiler had been worked on by a third party.

References to UKI include their agents who deal with claims.

This decision only relates to Ms S's complaint about the home emergency cover provided by UKI as part of her home insurance policy (which was provided by a separate insurer). It doesn't cover Ms S's complaint to that insurer about damage to her kitchen floor which she says was the result of the problem with her boiler.

What happened

In February 2022, Ms S had a problem with her boiler and contacted UKI. They arranged for an engineer to go out and assess the problem. However, when the engineer attended, he said a third party had already worked on the boiler. He said that meant he couldn't continue to work on the boiler under the terms of the home emergency section of the policy.

Ms S then arranged for her own engineer to come out and fix the boiler. But in the meantime, she was left without heating or hot water (although UKI did provide an electric heater and offered alternative accommodation, up to a value of £250).

Unhappy at what had happened, Ms S complained to UKI. She said she'd been left without heating or hot water and had children with medical conditions. She also said she hadn't been made aware of the exclusion that meant UKI wouldn't carry out work on a problem where a third party had already been involved and carried out some work. Ms S also thought the engineer hadn't stopped a leak, which caused further damage to her property.

Ms S's complaint was initially considered by their agent who provided services under the home emergency policy (C), who upheld the complaint in part. On the issue of the engineer refusing to work on the boiler, C said he was told by Ms S a private engineer attended the week before to attend to a leak. C said the terms of the home emergency policy meant they couldn't continue with a claim where there had been third party involvement. But C accepted Ms S was incorrectly advised initially they couldn't offer alternative accommodation (but then was told they could). By way of an apology for initially being given incorrect information, C offered Ms S £75 in compensation.

UKI then also responded to Ms S's complaint, which they upheld in part. They didn't uphold the complaint in respect of the engineer not working on the boiler due to the third-party involvement (as that aspect of complaint was dealt with by C). But they did uphold that part of the complaint about the exclusion for third party involvement not being made clear in the policy terms and conditions. They offered Ms S £500, which was the maximum the policy would pay for the cost of a single incident. They also offered a further £150 compensation for any distress or inconvenience to Ms S.

Unhappy at UKI's (and C's) response, Ms S complained to this service. The main points were that the engineer came out to look at her boiler but left after saying the boiler had been worked on by a third party. This left her without heating or hot water for nearly two weeks until she engaged her own plumber to fix the boiler. She also thought the problem with the boiler had caused water to get under the kitchen tiles and caused them to lift, but UKI wouldn't send an engineer to look at the problem.

Our investigator didn't uphold Ms S's complaint, concluding UKI didn't need to do anything further. She noted UKI had upheld part of Ms S's complaint and accepted the policy wasn't clear enough about further work not being carried out where a third party had attended an incident. As UKI had offered to pay Ms S £500 (the maximum amount under the policy for any one home emergency incident) as well as £150 in compensation for distress and inconvenience, the investigator thought this was fair and reasonable. She also thought it fair UKI's contractor had separately offered £75 to Ms S for providing incorrect information about alternative accommodation.

Ms S disagreed with the investigator's conclusions and requested an ombudsman review the complaint. She said she'd paid the first plumber £450 but didn't have the work done because of a disagreement. She then engaged a second plumber who did a bad job. Together with how she felt she'd been treated by UKI, she didn't feel the total amount of compensation they (and their contractor) had offered (£725) was fair. She thought it should be higher.

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.

My role here is to decide whether UKI has acted fairly towards Ms S.

The main issue in Ms S's complaint is that UKI didn't fix the problem with her boiler, as the engineer who visited refused to carry out work because work had previously been carried out by a third-party engineer. Ms S says this left her without heating or hot water, which was made worse by her having children with a medical condition. UKI say the home emergency policy terms and conditions include an exclusion where work has been carried out by a third-party engineer – although they acknowledge in their final response this isn't clear from the policy terms and conditions. In recognition of this, they've offered Ms S £500 (the maximum amount the policy would pay towards the cost of dealing with a single incident) and £150 in compensation for distress and inconvenience.

I've considered both views carefully, together with the information and evidence available. On balance, I've concluded that UKI have acted fairly and reasonably, so I won't be asking them to take any further action. I know this will be disappointing to Ms S, so I'll set out why I've come to that view.

Looking at the home emergency policy terms and conditions (contained in one section of the overall home insurance policy), the only references I can see that could be considered to exclude cover where a third-party engineer has previously carried out work are within *Section 5 Home Emergency* where there's a heading *Conditions and losses not covered* with a sub-heading *Losses not covered that only apply to Section 5 Home Emergency*. This includes the following reference:

"X We won't pay for:...

- *The cost of work carried out by anyone except the authorised repairer we have sent*

There's also a reference in the *Policy Definitions* section of the policy that includes the following definition of *Emergency assistance (section 5)*:

“Work carried out by an authorised repairer or suitably qualified repairer to temporarily or permanently deal with and emergency, carry out emergency repairs or prevent further damage.”

Looking at these two references, I don't think they make it clear the policy wouldn't provide assistance where work had previously been carried out by a third-party engineer. The first definition refers to the cost of work carried out not being carried out – not that any such work would mean the policy wouldn't provide assistance. The second definition is simply what assistance is provided under the policy – it doesn't say assistance won't be provided where a third-party engineer has attended.

Based on this, I've concluded the policy didn't make it clear assistance wouldn't be provided where a third-party engineer had previously attended. I recognise Ms S disputes third-party involvement took place, but the case notes from UKI indicate this was the case. Having reached this conclusion, I've considered UKI's response. Accepting the policy exclusion isn't clear, they've offered Ms S £500 – which is the maximum they'd pay for the cost of a single incident under the policy. As it's the maximum, I think that's fair and reasonable as it puts Ms S in the same financial position she would have been had the claim been accepted.

I've also considered UKI's further offer of £150 compensation for the distress and inconvenience she suffered. I've thought about the circumstances carefully, including what Ms S has said about her family circumstances and having children with a medical condition. I think £150 is fair and reasonable, so I won't be asking UKI to increase the figure.

C offered £75 for providing incorrect information about whether Ms S would be entitled to alternative accommodation. From what I've seen, Ms S was offered alternative accommodation (up to £250, the limit under the policy). But she said she didn't want to take it up because of the potential disruption to her and her children. Given this, I think C acted fairly and reasonably in offering alternative accommodation in line with the policy terms and conditions, and in offering compensation for initially providing incorrect information.

In her response to our investigator's view, Ms S refers to difficulties she's had with engaging her own assistance. Based on what's she's said, I can understand her frustration. But I can't hold UKI responsible for the issues she's had with the two engineers she's engaged.

My final decision

For the reasons set out above, my final decision is that I don't uphold Ms S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 18 August 2022.

Paul King
Ombudsman