

The complaint

Mr W and Ms W have complained that AWP P&C SA (AWP) has caused them to have to incur costs to an independent contractor following a claim under their home emergency insurance policy when their boiler broke down.

Although this is a joint complaint by Mr W and Ms W, for convenience I'll refer throughout to Mr W.

In this decision references to AWP include its agents and contractors.

What happened

The background to Mr W's complaint has been given by our investigator in her view of Mr W's complaint so I won't repeat it here.

Our investigator's view was that AWP should've provided Mr W with the level of service he received from his own contractor who had attended to see if anything could be done to get his boiler working again at least on a temporary basis. She considered that AWP's offer of £125 for the poor service Mr W had received was fair and recommended that AWP reimburse Mr W the £708 he incurred for arranging for a private contractor to attend to his boiler.

AWP hasn't responded to our investigator's view, so Mr W's complaint has been referred to me for a final decision from this service.

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 agree with the conclusion reached by our investigator and I'll explain why.

I've considered the terms of Mr W's policy. It's clear that the situation he found himself in was covered by his policy.

The policy defines an emergency as:

"A sudden and unforeseen domestic situation which, if not dealt with quickly, will:

- make **your home** unsafe or insecure*
- damage, or cause further damage to **your home** or its contents*
- result in **your home** losing its main source of heating, lighting or water"*

The policy expressly states that it covers:

*"the complete failure or breakdown of either the heating and/or hot-water supply provided by the **primary heating system**."*

Mr W had informed AWP that his household comprised vulnerable people. The need to ensure that heating and hot water were restored was therefore a priority. He has said that he had taken out the policy with the objective of avoiding being in such a situation. He says he expected a home emergency policy to provide prompt help to address any emergency covered by the policy. I consider this was an entirely reasonable expectation on his part.

But due to what appears to be a breakdown in communication between AWP and its contractors, AWP wasn't informed by its contractors that, following an earlier visit on 28 October 2020, they had declared the boiler to be beyond economical repair (BER) because it was 15 years old and needed a new fan and printed circuit board (PCB). It said that as parts were difficult to get, a new boiler was required. AWP has said that if its contractors had told it that they had deemed the boiler to be BER, it could've explained the decision to Mr W and provided recommendations on the best course of action to take next.

Following Mr W's call on 7 November 2020 when his boiler broke down again, there was no attempt by AWP to get the boiler working again even on a temporary basis, which was all that Mr W wanted as he was moving out of the house at the end of the month. He was placed in a pressured situation with very little time within which to arrange for a new boiler to be installed before he moved out of the property.

Mr W therefore contacted an independent contractor who said he wasn't able to fit a new boiler for at least a month but volunteered to attend to see what could be done. As Mr W has said, he treated Mr W's plight as an emergency whereas the policy he had paid for from AWP failed to do so. He got the boiler working again after having replaced an air pressure switch, PCB, and an electrode lead. This cost Mr W £708 - £275 + VAT for labour and £315 + VAT for parts. The claims limit under Mr W's policy for call out, labour and material costs is £1,000.

I think it's reasonable to conclude that if AWP had attended on 7 November when asked to do by Mr W, it should've been able to come to the same diagnosis and been able to source the same parts, and there would've been no need for Mr W to contact another contractor.

AWP has accepted that the level of service it provided to Mr W fell below the standards he was entitled to receive. It apologised to Mr W and offered him £125 as a goodwill gesture. Mr W wants to be reimbursed for what he had to pay his own contractor.

My conclusion is that it was reasonable in the circumstances for Mr W to contact an independent contractor as AWP had not offered to revisit the boiler to see what parts might be needed and if those parts were readily available, and to attempt a repair. The necessary parts were available, and a repair was possible, and Mr W's contractor was able to restore Mr W's heating and hot water. He had done what Mr W rightly expected AWP to have done under his policy.

I therefore consider that it would be fair for AWP to reimburse Mr W the £708 he had to pay his contractor to restore his hot water and heating. I also consider that AWP's offer of £125 is fair compensation for the upset which he suffered.

My final decision

For the reasons I've given above, I'm upholding Mr W and Ms W's complaint.

I require AWP P&C SA to reimburse to them the £708 they paid to their own contractor.

I also require AWP P&C SA to pay interest on this sum at the simple rate of 8% from the date they paid their contractor to the date that payment is made to them by AWP P&C SA.

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 W and Ms W how much it's taken off. It should also give them a tax deduction certificate if they ask for one so they can reclaim the tax from HM Revenue & Customs if appropriate.

I also require AWP P&C SA to pay Mr W and Ms W the £125 it offered them as compensation if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W and Ms W to accept or reject my decision before 27 July 2022.

Nigel Bremner
Ombudsman