

The complaint

Ms H complains that AWP P&C SA mishandled her claim on a home emergency insurance policy.

Where I refer to AWP, I refer to the above-named company and I include its policy administrator and others insofar as I hold AWP responsible for their acts or omissions.

What happened

Mrs H says she is on disability benefits. She has a home with a bathroom above the kitchen.

Mrs H had a home insurance policy that was branded with the name of a bank. The insurer responsible for dealing with claims wasn't AWP but a different company associated with the bank.

For the year from October 2020, Ms H also had a home emergency insurance policy branded with the name of the bank. AWP was the insurer responsible for dealing with any claim.

Unfortunately, on 30 June 2021, Ms H had water leaking from her bathroom and through the kitchen ceiling. She called AWP for help under the home emergency cover. AWP declined to send anyone to help.

So Ms H engaged a plumbing company who stopped a leak under the bath. On a second visit, the plumbing company did a permanent repair. Its invoice dated 6 July 2021 was as follows:

call- out fee including first hour	£250.00
second hour	£ 60.00
second visit	£ 85.00
materials	£ 75.00
total	£470.00

Ms H complained to AWP that it hadn't helped her.

By a final response dated late July 2021, AWP turned down the complaint. It said that the home emergency policy didn't cover tracing and accessing the source of a leak.

Unhappy with that, Ms H brought her complaint to us in mid-October 2021.

Our investigator recommended that the complaint should be upheld in part. She didn't think that AWP had treated Ms H fairly. The investigator didn't recommend that AWP should pay for the plumber's second visit. The investigator recommended that AWP should pay Ms H:

1. £310.00 as set out in her plumber's invoice dated 6 July 2021, less any relevant excesses;

2. 8% simple interest on this amount calculated from the date of the invoice to the date of settlement;
3. £150.00 compensation for distress and inconvenience caused to her.

Ms H disagreed with the investigator's opinion in part. She says, in summary, that:

- AWP lied to her and sent her from pillar to post.
- She is already reeling that she has to re-tile her bathroom floor as a result of this incident.
- She has understood why the investigator awarded only the initial emergency costs.
- But the investigator grossly under-estimated the impact upon her. That included the distress of having to borrow the money for a plumber while watching the water roll down the kitchen wall for two days until she raised it.
- That impact will remain until she has repaid the loans made to her to pay the plumber.

AWP didn't reply to the investigator's opinion.

So the investigator asked for an ombudsman to review the complaint.

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.

AWP's policy terms included the following:

"About this policy

This policy is an emergency policy and not a buildings or contents policy. It should complement your home insurance, and provide benefits and services which are not normally available under that type of policy.

This policy does not cover normal day-to-day property maintenance such as attention to items which tend to gradually wear over a period of time, or need periodic attention, for example the de-scaling of central heating pipes or replacement of taps and cistern washers.

We aim to provide rapid, expert help if you suffer an emergency arising from an incident covered under this policy. We will arrange for one of our list of approved contractors to attend and take actions to stabilise the situation and resolve the emergency."

I regard that as a general description of the policy. I don't consider that it excludes benefits and services which are normally available under a buildings or contents policy.

AWP's policy terms also included the following:

"What is covered

We will:

- *Provide initial advice to you;*
- *Arrange for a tradesperson to attend your home;*

○ *Pay up to £1,000 in total (incl VAT) for each emergency claim incident, towards labour costs (including call out charges, materials and parts required to effect **emergency repairs** in your home and overnight accommodation);*
We will only provide this cover if the emergency happens during the period of cover and it is caused by one or more of the following:

...

Plumbing and drainage

Failure of, or damage to, the plumbing or drainage system which will result in water damage inside your home.

This includes:

burst pipes..."

From what Ms H and AWP has each told us, Ms H first contacted AWP about the leak on 30 June 2021.

I don't think there's any doubt that – without urgent action – the leak would've damaged the floor and ceiling below, so Ms H had an emergency within the meaning of the policy terms. And that was caused by a failure of her plumbing system.

AWP's policy terms contained exclusions including the following:

"The following exclusions apply to the whole of your policy:

...

*9 Any repair that requires **trace and access** works to be completed."*

The use of bold type for the phrase "**trace and access**" is a reminder that it is subject to a policy definition. That is as follows:

"Trace and access

The process of identifying and locating the source of the emergency or gaining the necessary access to resolve the emergency"

AWP declined to visit Ms H because it thought repair would require trace and access works.

In late January 2022 Ms H told us the following:

"I had no immediate funds to pay an emergency plumber, the household had to go a few days without a constant water supply before I could raise funds and find a plumber I could afford. During that time the water had to be turned off and on when needed"

On 6 July 2021, the plumber had provided a report as follows:

"I attended the emergency call out at the address... on Thursday, the 1st of July 2021. In order to expose the leak, I removed the bath panel which was siliconed on the tiled floor. On removal, one of the tiles cracked

The leak was coming from a pin hole in the cold-water pipe. The pipe was made of plastic with a diameter of 16 mm. The make of the pipe and fittings is ...discontinued. I managed to temporarily replace a part of the plastic pipe with copper, so I was able to turn the water back on to the property.

On my second visit, I managed to source from my suppliers the right fittings in order to complete the repairs. I also replaced the bath trap and the hot and cold connections to the bath filler, as they were leaking as well."

From what Ms H and her plumber has each said, I find that she had been able to use the stopcock to control the leak before his visit on 1 July 2021.

From the plumber's description of the work he did (and from his photographs) I don't find that the repair required trace and access works. The repair merely required the removal of the bath panel, whereupon the leak in the pipe could be seen and accessed and temporarily repaired.

I don't find that Ms H had led AWP to believe that there would be any trace and access works. So I don't consider that AWP had treated Ms H fairly by declining to visit on the grounds that repair would require trace and access works.

AWP's policy terms contained a policy definition of "emergency repairs". That included either a temporary or a permanent repair. But it only included a permanent repair if such repair could be carried out in one visit.

Ms H's plumber found difficulty in sourcing compatible fittings and had to come back for a second visit. And it's reasonable to think that AWP would've made only a temporary repair. So Ms H would've had to pay for a second visit and a permanent repair.

So I find it fair and reasonable to direct AWP to reimburse Ms H for the cost of her plumber's first visit (£310.00) and leave her to bear the cost of the second visit (£160.00).

Ms H will have been out of pocket since 6 July 2021. Our investigator asked Ms H for details of the loan. In reply, Ms H said she would ask the bank for statements. But I haven't seen any details or evidence of the loan. So I find it fair and reasonable to direct AWP to pay interest at our usual rate.

It was Ms H's plumber who broke the floor tiles. So I don't hold AWP responsible for that. And if AWP had done a repair, its policy terms would've required it to leave Ms H's home safe and habitable but not to reinstate it to its former condition. So I don't find it fair and reasonable to direct AWP to compensate Ms H for the damage to her tiles.

I don't doubt that by declining her claim - unfairly in my view - AWP caused Ms H extra distress and inconvenience at an already difficult time. That included some difficult telephone conversations that left her feeling cheated. AWP also put Ms H through the worry of having to find the money and find a plumber.

AWP did nothing to put this right. It turned down Ms H's complaint.

Ms H got the leak repaired within a couple of days. She hasn't mentioned any damage other than to the floor tiles. The award of interest is compensation for being out of pocket until reimbursement. So, overall, I conclude that £150.00 is fair and reasonable compensation for the extra distress and inconvenience AWP caused Ms H.

Putting things right

I find it fair and reasonable to direct AWP to reimburse Ms H for the cost of her plumber's first visit (£310.00) plus interest at our usual rate and £150.00 for distress and inconvenience.

My final decision

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct AWP P&C SA to pay Ms H:

1. £310.00 in part reimbursement of her plumber's invoice; and
2. simple interest on that amount at a yearly rate of 8% from 6 July 2021 to the date of reimbursement. If AWP considers that it's required by HM Revenue & Customs to take off income tax from that interest, it should tell Ms H how much it's taken off. It should also give Ms H a certificate showing this if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate; and
3. £150.00 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 22 October 2022.

Christopher Gilbert

Ombudsman