

The complaint

Mrs H complains about Admiral Insurance (Gibraltar) Limited ("AIL") and the service provided following the claim she made on her boiler emergency cover insurance policy.

What happened

On 3 November 2021, Mrs H contacted AIL to make a claim on her insurance policy after her boiler had broken down. AIL sent an engineer to Mrs H's property who stated a new PCB would be needed. The cost of this PCB exceeded the repair limit included within Mrs H's policy, so she paid an additional £43.20 for the PCB to be ordered and fitted.

But the engineer didn't re-attend Mrs H's property until a week later, and during this time Mrs H was without any heating or hot water. And shortly after the engineer fitted the new PCB, Mrs H's boiler failed again. So, Mrs H appointed her own engineer, who attended and stated a PCB was needed, explaining the PCB in the boiler looked like an original part despite Mrs H being told by AIL a new one had been fitted.

AIL arranged for the engineer to return and on this visit, they deemed the boiler beyond economical repair (BER). So, they completed no further visits or work. Mrs H was unhappy about this, so she raised a complaint.

Mrs H was unhappy with the length of time she'd been without heating and hot water. She didn't think AIL had fitted a new PCB as she'd paid them to do, so she wanted the £43.20 she paid returned to her. And she wanted to be compensated for the upset she'd been caused.

AIL responded and upheld Mrs H's complaint in part. They didn't think they had enough to evidence to prove that their engineer didn't replace the PCB. So, they didn't uphold this aspect of the complaint. But they recognised Mrs H had been without heating and hot water at a time of year where this was needed and so, they offered to pay Mrs H the £250 alternative accommodation allowance she was entitled to within the terms of the policy. Mrs H remained unhappy with this response as she felt she was entitled to the £250 anyway and so, didn't think AIL had compensated her fairly. So, she referred her complaint to us.

Our investigator looked into the complaint and upheld it. They thought there had been unreasonable delays in AIL sending an engineer to Mrs H's property to complete the repairs. And although it was unclear whether the PCB had been replaced or not, they thought it was unclear why, if the PCB had been replaced, that the boiler had broken down again so soon after. Because of this, they thought that it was unreasonable for AIL to have asked Mrs H to pay the £43.20 for a part that didn't seem to resolve the issue. Because of this, and the suffering Mrs H experienced being without a functioning boiler, they thought AIL should pay Mrs H £150, unrelated to the £250 alternative accommodation allowance she'd already been offered.

Mrs H accepted this recommendation. But AIL didn't respond to accept it. As AIL didn't respond, the complaint has been passed to me for a decision.

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'm upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

I recognise AIL have already accepted there were delays in arranging the attempted repairs to Mrs H's boiler. And to recognise this, they've offered to pay Mrs H the £250 alternative accommodation allowance her policy provided. But I'm aware Mrs H doesn't think this offer is a fair one. And she doesn't think it adequately recognises her issues with the actual quality of the repair AIL attempted. So, I've thought about whether I agree. And in this situation, I do.

As AIL have accepted there have been delays, I don't intend to discuss these further. Instead, I will comment on the point of dispute, which centres around the repair AIL attempted. AIL believe their engineer fitted the PCB that Mrs H had to pay an additional amount for. But Mrs H doesn't think this PCB was fitted, and I've seen evidence provided by another engineer appointed by Mrs H who also doesn't think the PCB they found in the boiler was new.

So, both parties have differing opinions on what happened. And as I wasn't present at the time AIL's engineer attempted to repair the boiler and fit the PCB, I'm unable to say for certain what did happen. So, I can't say for certain whether the PCB was fitted or not. But what I can see is that, following this attempted repair, Mrs H's boiler broke down again shortly afterwards. And if the PCB was the root cause of the boiler issue, and it had been replaced, I don't think this is what is most likely to have happened.

So, I don't think it's fair for Mrs H to have been charged an additional amount of £43.20 for the fitting of a PCB which either wasn't fitted at all, or wasn't the root cause of the issue and so, didn't repair the fault with her boiler.

And this failure to diagnose or repair the boiler correctly left Mrs H in a situation where she was without a functioning boiler for longer than she should've been, had it been repaired or diagnosed correctly. And I think AIL are responsible for this delay, and the suffering Mrs H felt. This is alongside the suffering AIL have already accepted responsibility for regarding the delays Mrs H experienced waiting for the initial repair to be attempted.

Putting things right

As I've explained above, AIL have offered Mrs H £250 under their alternative accommodation costs to resolve the complaint. But I think Mrs H was already entitled to these costs as I can't see she was ever given the opportunity to utilise them when she was without a functioning boiler. So, I don't think this is enough to compensate Mrs H for the suffering and financial loss she's been caused.

Our investigator recommended AIL pay Mrs H an additional £150, to recognise this. And I think this recommendation is a fair one, that falls in line with what I would've directed had it not already been made.

I think the additional £150 covers the £43.20 she paid that I think should've been refunded, while also offering Mrs H an additional payment to recognise the suffering she would've felt

and the time and effort it would've taken to contact AIL on numerous occasions to try and arrange a successful repair. So, I think AIL should pay Mrs H an additional £150, on top of any alternative accommodation payment that has already been offered.

I understand this may not be the outcome AIL was hoping for. But they've been provided with a reasonable amount of time to provide an argument as to why they didn't agree with our investigator's recommendation and provide any supporting evidence. We haven't received this and so, my decision is based solely on the evidence and comments I have available to me at this time.

My final decision

For the reasons outlined above, I uphold Mrs H's complaint about Admiral Insurance (Gibraltar) Limited and direct them to take the following action:

- Pay Mrs H £150 to recognise the upset and suffering she's experienced.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 26 October 2022.

Josh Haskey
Ombudsman