

## **The complaint**

Mr and Mrs F are unhappy with the way AWP P&C SA dealt with a claim they made under their home emergency insurance policy.

Mrs F has primarily dealt with things, so I'll refer to her only for simplicity.

Reference to AWP includes its agents and representatives.

## **What happened**

The circumstances of this complaint aren't in dispute, so I'll summarise the main points:

- Mrs F got in touch with AWP after she noticed a warning light on her boiler.
- It sent an engineer, who increased the pressure and restarted the boiler.
- The warning light returned, so Mrs F got back in touch with AWP. After a delay and missed appointment, an engineer restarted the boiler again. But it stopped soon after. The engineer agreed to send a quote to AWP for further work. It was accepted.
- After another delay and missed appointment, an engineer attended to install a new part. They did so, it failed immediately, and water leaked into the boiler. I understand the water damaged the electrics and the engineer said the boiler was beyond economic repair (BER).
- AWP offered Mrs F £500 toward the cost of a replacement boiler. She paid a contractor £2,850 to have the boiler replaced. She complained about the way the claim had been handled and the offer AWP had made.
- AWP accepted its service had been poor and offered Mrs F £200 compensation. It didn't offer anything further for the boiler.
- Our investigator thought the complaint should be upheld. He said the engineer had caused the boiler to become BER, so it would be fair for AWP to pay in full to replace it. And he thought the compensation should be increased to £350 in total.
- Mrs F agreed. AWP didn't. It said the part had failed through no fault of the engineer.

## **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.

- There's no dispute the boiler became BER. The policy provides cover for up to £500 toward a replacing a boiler BER. AWP has offered that, so I'm satisfied it's fulfilled the terms and conditions of the policy.

- The crux of this complaint is about whether AWP should pay the remaining £2,350 Mrs F paid to replace the boiler. There's no cover under the policy for that. But if AWP caused an otherwise repairable boiler to need replacing, I may find it fair for AWP to compensate Mrs F for the additional cost involved.
- Mrs F has shown she had the boiler serviced around a year prior to the claim. No faults or problems were identified.
- The notes from the first and second engineer visits didn't identify any faults. On both occasions they took steps to repressurise the boiler without carrying out any work. After the problem reoccurred for the third time, they recommended replacing a part. The notes contain no suggestion the boiler was or may become BER.
- AWP hasn't provided any comments or notes directly from the engineer about the third visit. AWP's own notes say the engineer installed the part and it 'subsequently failed and leaked a massive amount of water'. The final response letter said the part failing 'was a consequential result of the previous part being fitted'. This shows the replacing of the part led directly to the water leak and subsequent damage.
- After our investigator upheld the complaint, AWP said the part had failed through no fault of the engineer. It provided no supporting evidence or further comment to explain how it had reached this opinion.
- Mrs F has provided detailed notes of her claim experience. She recalls the engineer expressing concern about replacing the part in the way they'd been instructed to.
- Overall, the evidence shows the boiler wasn't thought to be BER until after the failed repair and water leak. Before then, it had passed a service and the engineers thought it could be repaired by replacing a part. So I'm persuaded the boiler became BER as a result of the work carried out by AWP.
- This may have been the fault of the engineer who carried out the work, an inappropriate repair recommendation or something else. AWP hasn't set out what it thinks the underlying cause was. But I don't think I need to make a finding on this. The key point is that the boiler wasn't considered at risk of becoming BER. The evidence shows it was repairable. As a result of the way AWP handled things it became BER and a repairable boiler had to be replaced.
- In these circumstances, I'm satisfied it would be fair for AWP to ensure Mrs F doesn't lose out as a result of having to replace the boiler. That means it should pay £2,850.
- In line with our usual approach, AWP should also pay interest for the time Mrs F has been without the money.
- AWP accepts its service was poor. It didn't challenge our investigator's suggestion to increase compensation to a total of £350. Mrs F accepted it. So I'm not sure this point is in dispute. But for the avoidance of doubt, I'm satisfied £350 is a reasonable figure in the circumstances. There's clearly been delays and missed appointments, which would have caused inconvenience. Having to replace the boiler unnecessarily would have added to that. This all happened in colder months of the year, when the impact of going without hot water and heating unnecessarily would have been worse.
- Mrs F has said the failed repair to the boiler also caused a problem with her kitchen lights and she would ask an electrician to put that right. If she's paid to have that

done, and the work can be linked directly to the failed repair, she can send evidence to AWP. I would expect it to consider whether it should also pay this cost.

### **My final decision**

I uphold this complaint. I require AWP P&C SA to:

- Pay a total of £2,850 for the cost of replacing the boiler. If £500 has already been paid, that can be deducted from this figure.
- Pay interest at 8% simple per year on this figure, from the date Mrs F made payments for the boiler until the date AWP makes the payment.
- Pay a total of £350 compensation. If £200 has already been paid, that can be deducted from this figure.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F and Mr F to accept or reject my decision before 1 November 2022.

James Neville  
**Ombudsman**