

The complaint

Ms C complains Amtrust Europe Limited treated her unfairly after she made a claim under her home emergency cover.

What happened

Ms C had a Bradford and Bingley branded home insurance policy. The policy included various different types of cover, which are underwritten and administered by different businesses. The cover relevant to this complaint is the 'buildings' cover and 'home assistance' cover.

The home assistance cover is underwritten by Amtrust, *i.e.* it's the insurer that's responsible for any claims made under the home assistance part of the policy. The buildings part of the policy is underwritten by a different insurer.

The home assistance cover is more commonly known as a home emergency policy. Ms C's cover gave assistance in an emergency situation, such as a leak. It covered the call-out charge, up to two hours labour, and parts and materials up to £100.

In December 2021, Ms C had a leak into her bedroom via the ceiling. Ms C called the home assistance helpline and a third-party engineer was appointed. The engineer attended the next day.

Ms C says the engineer couldn't locate the cause of the leak, but he thought it might be the ballcock in the water tank. Ms C says the engineer advised he couldn't risk changing the ballcock as the tank contains asbestos, but he called his colleague to obtain a quote for removing and replacing the old tank. Ms C received a text message two days later confirming the repair had been complete, despite no work having been done.

Ms C says she called the various helpline numbers, but either there was no response or no record of her claim. She says she went on to email the policy administrator, who eventually referred her to the underwriter of the buildings cover. The buildings underwriter explained that whilst it could consider a claim for the damage caused by the leak, Ms C would be responsible for fixing the leak first.

Ms C says she emailed the policy administrator again, who this time referred her to Amtrust. In February 2022, Ms C received an email from a third-party claims handler that was acting on Amtrust's behalf. The email noted the engineer's report hadn't been received, but it was believed the repair had been successful. Ms C replied to the email on the same day, disputing a repair had been carried out. She also contacted our service.

Over the next three weeks, Ms C chased Amtrust's appointed claims handler for a response. Ms C was then sent the engineer's report which stated: *"Arrived on site and found asbestos tanks leaking. Advised would need licensed company to remove and replace."* Ms C again replied on the same day, disputing the accuracy of the report. She said the engineer didn't know where the leak was coming from, only that he suspected there was an issue with the overflow in the tank, which he couldn't investigate due to the presence of asbestos. Ms C also said she wasn't told she would need to arrange for the tank to be replaced herself.

No further response was received from Amtrust or its appointed claims handler, until Ms C chased again in May 2022. At that time, Amtrust told Ms C and our service it would be responding to her complaint.

In July 2022, the administrator of the home assistance cover (which is different to the policy administrator) responded to Ms C's complaint on Amtrust's behalf. To summarise, the response set out the following:

- The engineer diagnosed the leak to be from the water tank. Due to the presence of asbestos a specialist company would be required to repair or replace the tank. The work involved wouldn't fall within the labour or parts and materials cover limits. The engineer advised Ms C to seek assistance from a specialist.
- Amtrust's involvement had come to an end, which is why Ms C was sent the text message. Whilst the text message may have been confusing as the job wasn't complete, Amtrust couldn't assist further under the home assistance cover.

Ms C was unhappy with Amtrust's response, so one of our investigators considered her complaint. Our investigator didn't think the complaint should be upheld. Because Ms C disagreed, her complaint was passed to me to decide.

I issued a provisional decision, explaining I intended to uphold the complaint in part. In my provisional decision, I said:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint."

Where evidence is inconclusive, incomplete, or contradictory, I've reached my decision on the balance of probabilities. This means I've determined what I consider is more likely to have happened, based on all the evidence that is available and the wider surrounding circumstances.

Claim decision

The home assistance cover provides immediate assistance for the emergency. However, it doesn't cover any resulting damage. So, in the event of a leak, Amtrust will stop and repair the leak subject to the policy limits. The policyholder would then need to make a separate claim under their buildings cover for the damage caused by the leak.

The emergency cover is limited to two hours labour, and £100 for parts and materials. In this case, due to the presence of asbestos in the water tank, Amtrust concluded the repair would exceed the policy limits. Ms C hasn't provided anything that shows the leak wasn't coming from the water tank or that the tank didn't contain asbestos, and nor has Ms C shown the leak could have been repaired within the policy limits.

So, based on the information presented, I'm not persuaded Amtrust's claim decision was incorrect here. I'm more persuaded that due to the suspected cause of the leak, and the policy limits, there was no cover for stopping or repairing the leak under the home assistance part of the policy.

Customer service

Amtrust is responsible for the actions of the home assistance administrator, the third-party claims handler, and the appointed engineer. So, I've considered the service provided by those parties.

I find Ms C's testimony about the engineer's visit to be credible. Ms C says she was left with the impression the tank would be removed and replaced. She has provided the name of the colleague the engineer allegedly spoke to, and the colleague has since confirmed by email the engineer requested a quote. Whilst the colleague didn't say whether she spoke to the engineer during the visit, overall, I accept Ms C's version of events given she recalls the colleague's name. On balance, I'm persuaded Ms C was unintentionally misled by the engineer about the work being covered and the next steps.

Ms C then received a text message confirming the repair had been completed. Clearly, the text message was further misleading in respect of the repairs being covered and the work having been carried out.

It's not clear which helpline numbers Ms C went on to call or how often she tried the home assistance helpline, and Amtrust isn't responsible for the policy administrator mistakenly referring her to the buildings underwriter in January 2022. But I can understand why the situation would have been confusing for Ms C, and I don't doubt her experience was frustrating.

When Ms C was finally referred to Amtrust in February 2022, the appointed claims handler wasn't aware of the status of the claim. Furthermore, on two occasions, the claims handler failed to respond to Ms C's emails for significant periods of time. I haven't seen Amtrust provided a clear answer to Ms C about her home assistance claim until July 2022.

As such, I'm persuaded Amtrust wasn't clear about the claim not being covered following the engineer's visit in December 2021, and Amtrust later failed to clarify the position between February 2022 and July 2022. It's clear Amtrust also didn't provide a reasonable level of service, in respect of responding to Ms C's emails.

As I understand it, the leak wasn't continuous between December 2021 and July 2022, but rather, it was occurring intermittently. Nonetheless, Ms C was having to live with a bucket underneath the ceiling. I've also seen the lack of clarity about what was happening on the claim, and having to chase, caused a great deal of upset and inconvenience. In my view, had Amtrust been clearer with Ms C, she would have likely taken steps to repair the leak herself some seven months earlier – avoiding the confusion, upset, and inconvenience.

Having carefully considered what happened and the impact on Ms C, I intend to award her £400 compensation."

Ms C accepted my provisional decision. Amtrust confirmed it had received my provisional decision, and that it had no further comments.

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.

Both parties accepted my provisional decision, or at least, no new points were made. So, it follows that my final decision remains the same as my provisional decision, for the same reasons.

My final decision

For the reasons I've set out above, and in my provisional decision, I uphold this complaint in part. My final decision is Amtrust Europe Limited should pay Ms C £400 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 29 December 2022.

Vince Martin
Ombudsman