

## **The complaint**

Mrs K complains about QIC Europe Ltd (“QIC”) for declining her claim for home emergency help. She wants QIC to reimburse her costs of repair, up to the policy limit.

## **What happened**

Miss K insured her home with QIC from November 2021. Her home insurance policy included standard home emergency cover, which offered up to £300 for repairs to “the main heating or hot-water system in your home”.

Miss K’s home has an air source heat pump as its only heating system.

In November 2022, Miss K’s heating system broke down. She contacted QIC and submitted a claim for assistance.

QIC declined the claim. It argued that the cover did not extend to the broken part as the part was electrical – the condenser fan motor. QIC argued that Miss K’s policy did not cover breakdown of the household electrics.

Miss K did not accept this and complained to QIC. After a period without reply, Miss K contacted us.

QIC has continued to refuse the claim, arguing that the policy which Miss K held did not include cover for electrical breakdown.

Our investigator looked into this matter and recommended that the complaint be upheld.

They considered that no exclusions to the policy applied and that QIC should reimburse Miss K £300 plus interest. The investigator did not consider that QIC should pay any compensation to Miss K for her distress and inconvenience.

Miss K accepted that view. QIC has not accepted the view and asked for an ombudsman 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.

I have paid particular regard to the policy wording, which details what is and isn’t covered by the home emergency cover.

The policy documentation is written in a way which appears to be geared towards conventional boilers, in that it details that it includes ‘a single domestic boiler, parts of the boiler, room thermostats and hot water pipes. I therefore understand why QIC would consider that the list of what is included only includes conventional gas-powered boilers, but I agree with my colleague that the policy wording does not actually say this.

It describes itself as covering the “heating system” in the home, which is more broad than just conventional boilers, and encompasses other systems.

Policy holders are expected to take care to ensure they are covered for and it is fair that insurers should take the same care so that both parties can understand what is, and is not, covered.

QIC had the opportunity to add clarifications or exclusions in its wording to ensure only conventional boilers were covered if it wished to. It didn't do so, and the wording details that the heating system is covered. I do not accept that any of the exclusions listed in the policy applies.

QIC has argued that the part of the air source heat pump which broke was electrical, and it considers that electrics were not covered by this policy. I do not accept this argument and note that most conventional boilers are mains powered. In those cases, it would be nonsensical to determine that because an appliance runs on electricity it is more appropriately treated as household electrics rather than the heating system when heating is the function of the appliance. I think that the same logic applies to Miss K's heating system.

I agree with the investigator's responses that they understand explicit policy cover for electrics to predominantly mean wiring, fuse boxes, meters etc within the household electrics system. It does not mean everything which operates on electricity.

Consequently, I agree with the investigator's assessment, and I uphold Miss K's complaint. I think QIC was wrong not to accept Miss K's claim, up to the policy limit.

### **Putting things right**

Miss K ought to have been offered repairs or the cost of repairs up to the policy limit, which in this case is £300. In order to put things right, I agree that QIC should pay to Miss K £300, plus interest at a rate of 8% per annum from the date she had to pay for the heat pump parts, up until settlement.

I am satisfied that this results in a fair outcome, and I agree with the investigator's assessment that it is not necessary or appropriate to make a further award for compensation for distress and inconvenience.

### **My final decision**

For the reasons given above, I uphold Miss K's complaint and direct QIC Europe Ltd to:

- Reimburse to Miss K £300; and
- Add to this interest at a rate of 8% per annum from the date she paid for the replacement part up until the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 9 May 2023.

Laura Garvin-Smith  
**Ombudsman**