

The complaint

Mr and Mrs L complain about UK Insurance Limited's (UKI) poor service, following a claim under their home insurance policy.

What happened

Mr and Mrs L's boiler developed a leak, they contacted UKI to make a claim. UKI sent several engineers, who Mr and Mrs L explained made their boiler's issue progressively worse (the leak eventually flooded their property and caused further damage).

After the final engineer attended, Mr and Mrs L instructed an independent engineer to assess the damage to the boiler. That engineer deemed the boiler so damaged as a result of UKI's engineers carrying out poor repairs on it, that he concluded that the boiler was damaged beyond economical repair (BER).

Mr and Mrs L said that due to the damage to their boiler, caused by UKI, they had to purchase a new boiler. Accordingly, they complained to UKI.

In its final response, UKI accepted that there had been some poor service issues and for those, it offered and paid a total of £850, which was made up of £350 compensation, as well as a refund of Mr and Mrs L's excess charge. UKI did not accept that it should reimburse the cost of Mr and Mrs L's boiler.

As Mr and Mrs L were given their referral rights, they referred a complaint to our service. One of our investigators considered the complaint and thought it should be upheld. She said that it was more likely than not that the repairs undertaken by UKI's engineers caused flooding to Mr and Mrs L's property, as well as damage to their boiler. She relied upon Mr and Mrs L's expert report. And she recommended that UKI reimburse Mr and Mrs L's costs they incurred, to install the new boiler.

Mr and Mrs L accepted the view, UKI did not. UKI said that that the boiler had been at an age that meant it would need to be changed anyway. The boiler was leaking before its attendance, so damage was already caused to it. Finally, it questioned whether Mr and Mrs L's engineer had attempted a repair, rather than just replace the boiler. It made an offer to provide the BER contribution, in line with the policy. And it asked for a decision from an ombudsman.

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 will uphold this complaint, for much the same reasons as our investigator. And I hope my findings explain why I think this is fair.

I have considered all the evidence and comments made by both parties. And I think that the main issue of this complaint, is whether it's reasonable for UKI to reimburse Mr and Mrs L's, costs of their replacement boiler.

There is no dispute that Mr and Mrs L made a claim following a leak from their previous boiler and that UKI sent several engineers to repair it. What is in issue is whether the actions of UKI's engineers caused further damage to their boiler – and I think it was, so I'll explain why.

Mr and Mrs L discovered that their boiler had a minor leak that was causing electricity outages. UKI sent the first engineer who didn't rectify the leak. Mr and Mrs L have provided evidence from their expert to say that during the attempted repair, while trying to put the boiler back together (the engineer had taken parts of it off) the engineer caused further damage to the boiler. Mr and Mrs L describe hearing banging and their expert indicated that the engineer tried to force the boiler back together causing it to become mis-shaped.

A second engineer was sent, and he too wasn't successful. At this stage Mr and Mrs L said (and have provided video evidence in support) that this engineer caused even more damage to their boiler. Instead of having a minor leak (that was the initial report to UKI) the boiler flooded their home. Further, two more engineers were sent and increasingly more damage was caused to their boiler.

From the evidence, I'm satisfied that rather than fix what I think was a minor leak (the original fault was a small drip coming from the boiler) the UKI engineers made it much worse. Consequently, I'm persuaded by the evidence, including that of Mr and Mrs L's independent engineer's report (which I consider to be expert evidence) that concluded that further damage was caused to Mr and Mrs L's boiler, as a result of UKI's engineer's actions.

I understand that UKI has offered to contribute £250 towards Mr and Mrs L's costs of the new boiler. This was made on the basis of the policy limit and the age of the boiler. But I think had UKI repaired the original minor leak correctly the first time and something had subsequently gone wrong, then the offer would be considered fair.

However, it didn't do this and sent several engineers, who I think progressively made matters much worse and even caused flooding to Mr and Mrs L's home, resulting in further damage. Ultimately, as a result of UKI's actions, the boiler was deemed BER.

UKI has indicated that the boiler was old. But except the minor leak, Mr and Mrs L said that the boiler was working well. And I've not seen any evidence from UKI that could refute this. Nor that the boiler was in such a state that it was nearing the end of its functional life. Accordingly, I'm satisfied that the actions of the UKI engineers caused further damage to the boiler, and I think it's fair that UKI reimburse Mr and Mrs L's full costs of the replacement boiler.

Putting things right

To put matters right, I direct UKI as indicated below.

My final decision

For the reasons given, I uphold Mr and Mrs L's complaint.

To put matters right, UK Insurance Limited to:

Reimburse the full costs of Mr and Mrs L's boiler, on production of the invoice.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L and Mr L to accept or reject my decision before 22 September 2023.

Ayisha Savage
Ombudsman