

The complaint

Mr M and Mrs K complain Astrenska Insurance Limited (AI) failed to address underlying issues with his boiler when they made three claims on their home emergency insurance policy.

References to Mr M or Mrs K, will include the other.

AI are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As AI have accepted they are accountable for the actions of the intermediary, in my decision, any reference to AI includes the actions of the intermediary.

What happened

Mr M made a claim on his home emergency insurance policy on 10 March 2021 when he was left without hot water and heating because his boiler broke down.

AI sent out an approved contractor the day after he made the claim. A new circuit board was required, and it was fitted on 12 March 2021. The heating and hot water was restored.

On 15 May 2021 the boiler broke down again. Again the house was without hot water or heating. AI sent out another approved contractor who found that the circuit board had failed again. It was replaced and the heating and hot water was again restored. On this visit the contractor gave a quote for a new boiler.

On 4 October 2021 the boiler broke down again. Again AI sent out an approved contractor. This contractor found the circuit board had failed again and also the gas valve was not opening and there was a leak from the manifold. It was advised that the manufacturer of the boiler needed to come out to assess the issue or it should be deemed uneconomical to repair as the parts required were obsolete due to the age of the boiler.

Mr M complained the fact that the circuit board needed to be replaced three times between March 2021 and October 2021 was an indication of underlying problems. He said that AI's contractors failed to identify this. He said the boiler had had a leak for some time which had not been resolved by AI's contractors. He said that if the contractors had detected and fixed the cause of the issue in the first two instances that the boiler would not have broken down beyond repair.

AI said a leak was only found and recorded on the third visit.

As Mr M was not happy with AI, he brought the complaint to our service.

Our investigator upheld the complaint. They looked into the case and felt that AI did not carry out a lasting repair and this caused inconvenience to Mr M. They said AI should pay £150 compensation for the inconvenience. They said the boiler would've always been beyond repair and Mr M would have always had to pay for the cost of a replacement.

As AI is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

What I provisionally said

A home emergency policy is designed to respond in a timely manner to cover an immediate and specific issue. In this case Mr M and Mrs K's being left without heating and hot water was the issue and AI accepted this was covered by their home emergency policy.

I saw evidence that AI's approved contractors attended call outs to Mr M's home in a timely manner to address the issue of no hot water or heating on each of the three occasions there was an issue.

I saw evidence that on the first breakdown appointment the fault was identified as a single part (circuit board) and a replacement part was obtained and fitted. On the second appointment the same part was replaced again. When AI's contractor attended after the boiler stopped working a third time, the same part was found to be broken again and in addition several other parts were found to need replacement or repair.

I do agree that any repair should be lasting and because the same part failed three times in a period of approximately eight months this does identify there was an underlying issue with the boiler somewhere. However as on the third appointment the contractor did find additional issues in other parts of the boiler, including a leak. And when the contractor looked to see if the required parts could be ordered, one part was found to be obsolete due to the age of the boiler being between eight and ten years old.

The contractor made a recommendation of contacting the boiler manufacturer for a further assessment or the boiler being classed as beyond economic repair.

I have seen no evidence of a leak in the boiler on either the first or second visits. The contractors worked in line with the terms of Mr M and Mrs K's policy and repaired the boiler and left it in working order. Their home emergency policy does not provide general maintenance or servicing of the boiler.

Mr M felt the second repair may have not been completed correctly. He said he did not use the boiler for hot water during the summer as he also has an electric system for water and due to the warm weather did not need to use the heating. He said it was only when he turned it back on at the end of the summer he realised it was not working.

I understand that Mr M feels that the issues found the third time should have been identified earlier. He feels if a leak had been identified and repaired, this would mean he would not have needed to purchase a new boiler.

I think that AI sufficiently addressed the boiler breakdowns when they were reported. The boiler was found to be beyond economic repair because a part was obsolete, it wasn't beyond repair because of something AI did wrong. I do not think identifying a leak before it did in October 2021 would've meant a replacement boiler wasn't needed.

I saw that AI covered a £500 contribution towards a replacement boiler, which is within the terms and conditions of the policy. I think this is fair and reasonable in this case. Although I understand Mr M will be disappointed, I do not think AI need to compensate Mr M further for the inconvenience he encountered when the boiler broke down or with the overall cost of the installation of a new boiler.

Therefore, I intend not to uphold Mr M and Mrs K's complaint and do not require AI to do anything further in this case.

Responses to my provisional decision

Mr M responded to say he did not want to submit anything.

AI responded to say it accepted my provisional 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.

As Mr M and Mrs K did not submit any further comments and AI accepted my provisional decision, I therefore maintain my provisional decision.

My final decision

For the reasons I have given I do not uphold this complaint and do not require AI to do anything further in this case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K and Mr M to accept or reject my decision before 13 April 2023.

Sally-Ann Harding
Ombudsman