

The complaint

Mr M complains about the way that Admiral Insurance (Gibraltar) Limited dealt with his home emergency claims for repairs to his boiler. The claims were for the most part dealt with by loss adjusters, However as Admiral are responsible for them, for convenience I shall refer to Admiral throughout.

What happened

In late February 2021 Mr M made a claim on his home emergency policy as his boiler was losing pressure. An engineer came out and found the boiler to be working on arrival albeit it had lost pressure. The engineer wanted to confirm that emergency cover still applied, and Admiral determined that the boiler was losing pressure rapidly, so it agreed to cover the claim. Two parts were needed which were ordered and the engineer came out on 11 March to fit these. The total cost for this claim was £558, the claim limit being £500, so Mr M had to pay £58.

However the boiler continued to lose pressure. A further site visit took place at the end of March, when it was determined that a further part was required, namely a filler loop. This was installed on another visit in mid-April. At that time the engineer deemed that the boiler was now beyond economic repair (BER). He also said that a new expansion vessel was needed at a cost of £780 plus VAT. As the limit for each claim is £500, Admiral told Mr M that he would have to pay the balance on this claim of over £400 before it would come out.

Mr M was able to get Admiral out to look at the boiler again as he advised it that the valve fitted by the previous engineer had stuck. This was in June 2021. He had no hot water or heating. That engineer came out and freed the valve and also looked at the expansion vessel, which he said didn't need replacing, just recharging. He carried that out and the boiler has since then (as far as I'm aware) been working.

Mr M made complaints to Admiral that he had made a great number of phone calls and he was promised call-backs which he didn't get. He further objected to Admiral classifying his boiler as being BER and that its engineer had deemed a part had needed replacing without looking at it. He objected to Admiral trying to force him to pay for that part when it wasn't necessary.

Admiral accepted that Mr M had not had the call-backs he had been promised on a couple of occasions. It also said that the engineer who had decided the part needed replacing should have investigated the part to see if it could be repaired before submitting a quote for it. It did point out that the repair to the expansion vessel was temporary and that it would likely need replacing. It further said it had reasonably assessed that the boiler was BER.

On referral to the Financial Ombudsman Service our Investigator said that Admiral had provided a poor service regarding the expansion vessel, as its engineer didn't carry out an adequate investigation before saying it needed to be replaced. They also found that Admiral didn't call him back when promised. They recommended that Admiral pay further compensation of £300 (on top of the £100 already paid).

Mr M didn't agree and the matter has been passed to med for further consideration.

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.

Mr M's complaints were of missed call-backs and (separately) the boiler being deemed BER, and the expansion vessel issue in July 2021. These were dealt with in three separate final response letters from Admiral.

boiler deemed BER

There has been some confusion over this. The total cost of the two claims made in 2021 amounted to around £846. Admiral says this exceeds the likely cost of a new boiler, and I have no information to say otherwise. The expansion vessel was recharged and Mr H says it is still working. But if it does break down in future it will cost over £900. I think it reasonable to say that BER means the cost of repair exceeds the value of the boiler.

However a boiler being BER doesn't necessarily mean that any claim shouldn't be responded to. This would only apply if the boiler couldn't be repaired and a new one had to be installed, in which case Admiral wouldn't contribute towards the cost of it. In Mr M's case Admiral said it would respond if Mr M paid the cost of repair over the £500 claim limit. As it is, I understand that Mr M took out a policy with a different company when the one with Admiral expired. I don't propose to take any further action in respect of this.

missed call-backs

In early March 2021 Mr M was promised call-backs on a couple of occasions and this wasn't done. As a result he had to do a lot of extra chasing. Admiral also said that there was a two day delay in ordering parts following the engineer's visit. Clearly if a call-back is promised this should take place or Mr N should have been contacted to rearrange.

expansion vessel

So far as site visits and repairs were concerned I believe that the claim was dealt with satisfactorily up until the engineer's visit in mid-April. The engineer who came out initially found the boiler to be working and because the policy covers emergencies, the policyholder has to be without heating hot water, for cover to apply. Admiral did then deem it an emergency because of the boiler rapidly losing pressure. The repairs needed after the initial site visit were carried out in early March. Then a further site visit in late March identified the need for further repair.

At the visit in mid-April, whilst it might have been reasonable for the engineer to assume that the expansion vessel needed replacing he didn't investigate it properly. As a result Mr M was put under unnecessary stress when told several times by Admiral that it wouldn't send out an engineer again until he paid the balance of the claim in respect of the cost of the expansion vessel. The claims handlers could only work from the engineer's report, but as it transpired the report identifying the need for the new part was wrong. So I can understand that this put Mr M under extra unnecessary stress.

But I have to look at things as they happened rather than at what could have happened. Mr M didn't have to pay for the expansion vessel. And the engineer did come out for a site visit and carried out the necessary repair. That may have been fortunate but at least Mr H didn't suffer any financial loss.

compensation

Mr M told our Investigator he was without heating or hot water for 4 or 5 days, then later said this was 7 days. This was in June 2021. As our Investigator has said we look at these matters holistically and we don't break down every separate issue. I think Mr M was caused a fair degree of stress from about mid-April to late June 2021. As I've said we look at matters as they were rather than what might have happened. I think our Investigator's proposal, that Mr M be awarded a further £300 compensation, is fair and reasonable.

Putting things right

Admiral should pay Mr M a further £300 compensation, in addition to the £100 already paid.

My final decision

I uphold the complaint and require Admiral Insurance (Gibraltar) Limited to provide the remedy set out under "Putting things right" above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 18 May 2023.

Ray Lawley
Ombudsman