

The complaint

Mr J has complained about how Evolution Insurance Company Limited (Evolution) under a home emergency policy.

What happened

Mr J contacted Evolution to send an engineer to deal with a fault with his boiler. The engineer found that a part needed to be replaced. He replaced the part but said if the problem reoccurred the expansion vessel might need replacing. A few days later, Mr J contacted Evolution as the issue had returned. An engineer visited again and the boiler was deemed to be beyond economic repair.

Mr J complained to Evolution. When Evolution replied, it maintained its decision to decline the claim because the boiler was beyond economic repair. However, it offered to refund the premiums paid to date and half of the excess Mr J had paid for the engineer visits. It also offered a manufacturer's repair at a reduced cost as a gesture of goodwill.

When Mr J complained to this service, our investigator didn't uphold it. He said Evolution had acted in line with the terms and conditions of the policy and that it didn't need to do anything further.

As Mr J didn't agree, the complaint was referred to me.

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 don't uphold this complaint. I will explain why.

When Mr J contacted Evolution to send an engineer, he had to pay a £95 excess. Looking at the policy documents, I can see that it clearly states this was payable for each claim, so I think that was reasonable. When the engineer visited, he carried out a repair on the boiler but wasn't sure it would be successful. A few days later the issue with the boiler happened again. At this point, Evolution decided the boiler was beyond economic repair. Mr J has disagreed that this was the case, as he said the policy covered repairs up to £1,000. So, I've looked at the terms and conditions and why Evolution decided the boiler was beyond economic repair.

The policy covered: *"Repairs or assistance following a boiler emergency or breakdown in your home unless your boiler is beyond economic repair"*. The policy also explained what it meant by *"beyond economic repair"*. It said:

"Boilers have a working life of, usually, 7 to 20 years. Their value reduces over time. If after an engineer visit and assessment repair costs are more than the current value of the boiler, we won't carry out a repair".

When the engineer visited to assess why the first repair had failed, it was assessed that some parts needed to be replaced. The cost of this repair was more than the value of the boiler. So, this meant the boiler was beyond economic repair. The policy didn't cover repairs where the boiler was beyond economic repair. I'm aware that the Mr J has said the policy covered repairs up to £1,000, so Evolution could have carried out the repair on that basis. But the policy also explained a repair wouldn't be carried out where the boiler was beyond economic repair. So, the £1,000 limit wasn't relevant because of the value of the boiler compared to the cost of the repair.

Mr J has also said his boiler had been inspected by Evolution about a month earlier and no issues had been found. So, he was concerned that when he had a problem with his boiler Evolution then decided it was beyond economic repair. However, I haven't seen anything to suggest that Evolution did anything other than apply the terms and conditions of the policy.

Mr J also wanted Evolution to pay him £250 as a contribution towards his new boiler. The policy said Evolution would contribute £250 where the new boiler was from its approved installer. However, Mr J didn't use Evolution's approved installer, so I'm satisfied it didn't need to make a contribution.

I'm aware Evolution later offered to carry out a repair on the boiler, including arranging for the manufacturer to carry out a repair at a reduced cost. However, this was an offer of private work, so this wasn't covered by the insurance policy. I'm also aware that when the manufacturer visited, it couldn't repair the boiler. So, Mr J decided to replace the boiler. Mr J was also concerned by the sales process and in the end arranged for another company to fit a new boiler. These issues weren't covered by the insurance policy, so I'm unable to comment on them any further as they don't fall within the remit of this service.

So, based on what I've seen, Evolution's engineer fairly assessed the boiler and it acted in line with the terms and conditions of the policy by deciding the boiler was beyond economic repair and not continuing to try and repair it. Evolution offered to refund the premiums Mr J had paid along with a further £47.50, which was half the claim excess Mr J had paid. In the circumstances, I think what Evolution did to resolve this complaint was reasonable and I don't require it to do anything in addition to what it already offered.

My final decision

For the reasons I have given, it is my final decision that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 6 July 2023.

Louise O'Sullivan
Ombudsman