

## **The complaint**

Miss J is unhappy with AWP P&C SA's (AWP) decision to decline a claim made under her home emergency policy.

## **What happened**

In March 2022, Miss J found a water leak which was caused damage to her boiler and meant she was without heating and hot water. Miss J intended to make a claim through her home emergency policy, which was provided by a high street bank.

She said she made a phone call, using the number on the covering letter of her home emergency policy document. Miss J says what followed was a series of conversations speaking to different people at what she believed was the provider of her home emergency policy. Eventually, Miss J was given a claim form for another insurer, who I'll refer to as X, and X arranged for an engineer to come out. However, that engineer appointment was cancelled when X identified Miss J didn't hold the specific account required for X to be the home emergency provider.

Miss J arranged her own engineer (on advice of X) who said boiler was beyond repair. She sought a second opinion, and another engineer then fixed the leak at a cost of £850. In June, Miss J managed to contact AWP directly to log the claim and tried to claim back her costs. AWP declined her claim, saying Miss J hadn't adhered to the policy terms by notifying it that she needed to claim within 48 hours. Unhappy with the handling of the situation, Miss J complained, and AWP responded in November. It stood by the decision to decline the claim, saying it had acted in line with the policy terms, these being that it wouldn't cover any costs where approval wasn't sought in advance.

Unhappy with AWP's response, Miss J asked us to look into what happened. Our investigator said AWP's position hadn't been prejudiced by the delay in reporting the claim and that she could understand, in the circumstances, how the confusion about who to call arose. Our investigator said AWP should reconsider Miss J's claim in line with the remaining policy terms and should pay £100 compensation for the distress and inconvenience experienced as a result of the delay in responding to her complaint about the claim outcome.

As AWP didn't agree, this matter has been passed 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've reached the same conclusion as our investigator for the same reasons. As our investigator said, insurers are required to consider claims fairly and not unreasonably reject a claim. I've considered if AWP has acted fairly in relation to Miss J's claim.

It's not in dispute Miss J didn't contact AWP in the first instance to log her claim. I accept the circumstances when she discovered the leak led to some confusion. Miss J says she relied

on the policy documents she had to hand in the moment, which was the covering letter from when she took the policy out in June 2021. She says the link to the policy documents online didn't work. I've reviewed the covering letter which provides a telephone number which AWP says would have put Miss J through to an administrative department. It was following a number of transfers to various different departments that Miss J then says the claim was set up for her with the incorrect insurer.

I'm mindful Miss J outlined some challenging circumstances. As well as having no heating or hot water, she also had an infant and says she felt significant pressure to get the situation resolved. Against this background, I can see why, after the confusion and circumstances where a claim had been started with an engineer instructed and then cancelled, Miss J made her own arrangements for a repair to be carried out.

It's clear there was confusion here, and some of this might have been contributed to by X who, according to Miss J, didn't immediately identify she wasn't a policyholder. But this confusion doesn't remove AWP's liability. Fundamentally, while I accept Miss J did not contact AWP within 48 hours of the emergency being identified as the policy terms required, I'm satisfied her intention was to do so, and Miss J genuinely believed that she had done so.

The exclusion AWP is relying on is:

*"The following exclusions apply to the whole of **your** policy: ...  
2 Costs **we** have not authorised.  
Always phone **us** first."*

I'm not persuaded AWP has acted fairly in declining the claim. AWP hasn't demonstrated it has been prejudiced by Miss J not contacting it directly within the first 48 hours and subsequently arranging the repair. AWP hasn't considered any of the circumstances of the claim and hasn't shown whether it would or wouldn't have sent an engineer out to inspect the boiler. It has disregarded the confusion Miss J set out whilst experiencing a worrying and stressful situation.

In the circumstances of this specific case, I require AWP to consider Miss J's claim. Miss J should provide AWP with all paperwork she has in relation to the repair, and this should be considered by AWP. If, after considering the paperwork provided by Miss J, AWP agrees it would have covered the claim, it should settle this in line with the remaining policy terms.

In addition to this, AWP should pay Miss J £100 for the distress and inconvenience experienced as a result of its delay in letting Miss J know it wouldn't consider her claim. It seems AWP decided this several weeks before communicating this to her. Given Miss J had already outlined how worrying and stressful she found the entire situation, and the impact paying for the repair had on her, I think AWP could have taken action that would have reduced the impact on her. It should pay compensation for this.

### **My final decision**

My final decision is that I uphold this complaint. To put things right I require AWP P&C SA to:

- Consider Miss J's claim subject to the remaining policy terms, when it is provided with the relevant paperwork
- Pay Miss J £100 compensation for the distress and inconvenience caused by its delay in telling her about the outcome of her complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 21 September 2023.

Emma Hawkins  
**Ombudsman**