

## **The complaint**

Mrs H has complained about the service provided by Helvetia Global Solutions Ltd ('Helvetia') under her home emergency insurance policy.

For the avoidance of doubt, 'Helvetia' includes its agents, representatives, and contractors in this decision letter.

## **What happened**

In November 2022, Mrs H experienced a problem with the boiler at her home and reported the matter to Helvetia, being her home emergency insurers. She reported that some radiators were not working, and the system was making an unusually loud noise. Helvetia sent out an engineer, however Mrs H was unhappy with the service she received. She thought that its engineer made an incorrect diagnosis of the boiler problem which caused delay, and left Mrs H and her family without heating for over three weeks. Following visits by other engineers, it became clear that a new boiler would be required.

Mrs H also complained about the lack of communication, professionalism, and empathy from Helvetia. Helvetia said it offered Mrs H a £250 accommodation allowance in lieu of accommodation, £25 for communication failures, £250 for a new boiler contribution and finally £100 as a goodwill gesture for time she'd been without facilities. Mrs H remained unhappy with the outcome of her complaint and requested further compensation. Helvetia considered that it had responded in a fair and reasonable manner to Mrs H's complaint.

In the circumstances, Mrs H referred her complaint to this service. The relevant investigator upheld Mrs H's complaint in part and recommended a slight increase in the compensation payable for delay from £100 to £150. The investigator did consider that there was an avoidable delay between the visit of the first engineer and the appropriate diagnosis a week later. She said that if the boiler problem had been diagnosed correctly, Mrs H would have been able to replace her boiler a little sooner. She hadn't seen evidence which persuaded her that the initial repair caused the subsequently diagnosed issues or the boiler's total loss. She thought that whilst the first engineer may have incorrectly recommended purchase of a power flush, Mrs H didn't go ahead with this and said that a financial loss wasn't incurred.

Mrs H remained unhappy with the outcome of her complaint and felt *'that the overall compensation does not reflect the distress, deceit and unprofessional service we received.'* In the circumstances, the matter has been referred to me to make a final decision in my role as 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.

The key issue for me to determine is whether Helvetia acted in a fair and reasonable manner as to the service provided to Mrs H in relation to her boiler. I don't consider that it did in all respects, however I agree with the relevant investigator here, that a modest additional sum

of compensation would be appropriate in this case. In reaching my final decision, I've also taken into account the submissions of each party as summarised below.

Mrs H said that at the relevant time, she didn't have a fully working heating system although it still provided some heating, so she'd contacted Helvetia. She said that Helvetia's engineer had diagnosed the wrong problem and left her family with no heating at all during sub-zero temperatures. She also felt that she'd been left in a worse position than before. The engineer had suggested that Mrs H arrange for a specialist to flush the pipes as there was sludge in the system. Mrs H said that he'd handed over his business card and said that this *'would make the boiler start.'* Mrs H considered this to have been dishonest and that the engineer had taken advantage of a vulnerable situation. Mrs H felt that if he'd diagnosed things properly then she would have realised that the boiler was not fixable and needed replacing. She said that three further engineers visited, who confirmed that sludge wasn't the issue. Mrs H said that there had been a financial impact as she'd had to buy heaters and electricity had cost more as she'd had to use the immersion heater for hot water.

Mrs H also complained about *'the lack of professionalism and empathy from some of the managers.'* She considered that the compensation was inadequate in the light of Helvetia's service and communication failures. She said this had caused stress and anxiety, especially as she had young children in the house, with no hot water or heating for three weeks. Mrs H also said that she'd spent over 30 hours on the phone *'on hold'*. In short, she considered Helvetia's service and communication to have been disgraceful and that £25 compensation for the communication issues was an insult. She also felt that Helvetia had put the family in an impossible situation for longer than was needed.

I now turn to Helvetia's submissions. It said that its engineer had found an issue with the fan on the central heating system and considered that this was the cause of the noise and that the radiators hadn't been installed correctly. It said that the engineer had provided a quote for a new pump and fan. It said that the relevant parts were ordered, and the engineer attended and replaced the parts. When doing it said that it became apparent that there was sludge in the system, which it said was evidenced in the engineer's report. The system again failed, and the engineer considered that the boiler should be replaced and was beyond economical repair. Helvetia then considered that the claim was prolonged as Mrs H asked it to appoint further engineers to assess the boiler and try to repair it. It acknowledged however that there had been some communication failures.

Helvetia accepted that an engineer who provided a second opinion had advised that *'the fault at this stage was due to the flame sensor. The pump and fan had already been replaced and ruled out by the initial engineer.'* He also confirmed that the fault he noted wasn't related to sludge. A third engineer then attended and recommended a third solution relating to replacement parts. Again, Helvetia said the repairs couldn't proceed, and deemed the boiler to be beyond economical repair, however it decided to return and *'proceed with this final attempt at a repair as a gesture...'* This attempt was unsuccessful, and Helvetia said that it was apparent that the main heat exchanger was also faulty and that the boiler needed to be replaced. It confirmed it had then provided Mrs H with a quote for a replacement boiler.

In conclusion, it acknowledged that its three engineers all diagnosed different problems but said that *'all have agreed that the boiler is not in a repairable condition and the outcome of the claim remains the same.'* It said that engineers follow a process of elimination which was what happened here. It therefore didn't agree that parts had been replaced without need and said the engineers had tried their best to carry out a repair. It said that *'ultimately the boiler had reached the end of its lifespan.'*

Having considered all the available evidence and the parties' submissions, the reasons for partly upholding Mrs H's complaint are as follows. I consider that it's unfortunate that

Helvetia's three engineers diagnosed three different sets of problems. Nevertheless, I can't say that it was unreasonable for the engineers to have engaged in a process of elimination. Whilst Mrs H was disappointed that all attempts to repair the system had been unsuccessful, there is no evidence to suggest that any of the attempts had been unreasonable. Helvetia had attempted to accommodate Mrs H's wish for the system to be repaired.

I consider that the evidence suggests that there were a number of technical problems with the central heating system which it hadn't been possible to fix. It's likely that there were inter-linked issues with the system, and I'm persuaded that the system had reached the end of its lifespan and that Helvetia had reached this conclusion reasonably quickly. Mrs H has also acknowledged that she knew there was an issue with the boiler and that ultimately it may have been beyond economical repair.

I appreciate that Mrs H felt that Helvetia's engineer had tried to persuade her to purchase an expensive solution that in retrospect was unlikely to have made a difference. I agree with Mrs H that this does raise some concerns. However, Helvetia's records also show that the same engineer later gave the opinion that the boiler was beyond economical repair. I'm therefore unable to find that his initial solution was offered in bad faith. In addition, Mrs H didn't accept the solution and incurred no financial loss. On balance, I also can't say that it was unfair or unreasonable for Helvetia to have tried to assist Mrs H by attempting to repair the heating system and then offering a contribution towards a new boiler.

I agree with our investigator in this instance that when a consumer disagrees with the insurer's findings, we expect the insurer to take reasonable action to progress the claim. Helvetia did so by allowing for second and third opinions. I don't consider that the timescale involved in engaging in these efforts was wholly unfair or unreasonable and I consider that by the final visit, it had exhausted all repair options. Having said this, I do consider that it is likely that there was a degree of avoidable delay following the initial visit of Helvetia's engineer. Helvetia has also acknowledged its communication failures, however as these were over a relatively short period, I can't say that the compensation already offered by Helvetia in this respect was unreasonable.

Finally, I sympathise with Mrs H for the fact that she and her young family had to endure heating problems and the associated stress at the coldest time of the year. Unfortunately, boiler break-down inevitably caused stress and inconvenience. To award significant compensation however, I would need to be satisfied that Helvetia's actions were responsible for distress and inconvenience over and above that inevitably caused by a breakdown. This being in the context of a heating system which had reached the end of its life. I'm satisfied that a short delay between the first incorrect diagnosis of the problem and the appropriate diagnosis of a boiler that was beyond economical repair. I consider that this meant that Mrs H had a replacement boiler slightly later than would otherwise have been the case. I agree in the circumstances that £150 in total would be appropriate compensation to recognise the distress and inconvenience caused by this failure. If Helvetia has already paid £100 for the time she was without facilities, then Helvetia would need to pay the balance of £50 only.

### **My final decision**

For the reasons given above, I partly uphold Mrs H's complaint and I require Helvetia Global Solutions Ltd to pay Mrs H compensation of £150 in total, to recognise the distress and inconvenience caused for the time she was without facilities.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 10 October 2023.

Claire Jones  
**Ombudsman**