

The complaint

Mr H is unhappy with the service he's received from Admiral Insurance (Gibraltar) Limited (Admiral) after making a home emergency claim.

What happened

Mr H has a contents insurance policy and an add on home emergency policy, both underwritten by Admiral.

In December 2022 Mr H's boiler stopped working, so he contacted his home emergency helpline for assistance. Admiral arranged for an engineer to attend, who managed to get the boiler working. But they also said the boiler may need replacing.

Shortly after the engineer left, the boiler again stopped working. Mr H contacted Admiral and they advised that the original engineer could either attend later that day, or a few days later due to having other appointments. Mr H wasn't able to facilitate the appointment later that day, and said the other appointment was too far away.

Admiral internally discussed whether another engineer could be authorised, however, by the time this had happened, Mr H had arranged his own emergency call out and repairs.

Mr H asked Admiral to reimburse the costs he incurred. However, Admiral didn't agree to the full reimbursement, instead only partial reimbursement. And they paid £25 compensation for how long Mr H had to spend trying to get through to them. Mr H remained unhappy and approached this service.

One of our investigators looked into things and upheld the complaint in part. She said that she couldn't ask Admiral to reimburse the cost of a service plan Mr H had taken, but she thought Admiral should reimburse what it would have cost them for the same repair. She also said Admiral should increase the compensation to £100.

Despite chasing Admiral several times to confirm whether they agreed, they didn't respond. So, the case was passed to me to decide.

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 H's boiler stopped working and an engineer attended and got it back up and running. However shortly after they left, the boiler stopped working again.

When informed of this by Mr H, Admiral said the same engineer could either attend later that day, or several days later. Mr H was unable to facilitate the same day, and said the other appointment was too far away.

As a result, Admiral debated internally whether it could authorise another engineer instead. However, I can see that this went back and forward internally for around two weeks, and by the time that it was agreed, Mr H had already arranged an emergency call out and had part of the repairs completed.

I can understand why Mr H went ahead with arranging an emergency call out. After first having his boiler fixed, it immediately broke down. Whilst Admiral offered a same day appointment, this wasn't suitable for Mr H. But the next available appointment was several days later.

I can see why Mr H was unhappy with this, given it was December and he had no heating, and why he asked for someone else to be sent sooner instead. But it is here where I think the service fell short. It was debated some time backwards and forwards internally, and it wasn't agreed until around two weeks later. And by this time, Mr H had, understandably in my view, already arranged a further emergency call out.

Mr H paid £40 for the initial emergency call out, and he also purchased temporary heaters at a cost of £47.99. I understand from the information provided that Admiral has already agreed to reimburse those costs.

However, alongside the initial emergency call out, due to parts being required for an effective repair, Mr H also had to contact the manufacturer. They attended and replaced the part required for an effective repair. Mr H says he was given two options, either to pay the full amount in one go, or spread the cost over six months, and this would also include a boiler service maintenance and repair plan.

As Mr H says he couldn't afford the single payment, he opted for monthly payments with the service plan alongside the repair. The total for repair and the service plan was £342.90. Mr H says Admiral should reimburse this cost.

However, I agree with what our investigator said here. The service plan which was part of the cost Mr H incurred is an ongoing service policy which covered him for future boiler maintenance. This would never have been covered by Admiral under Mr H's home emergency cover, as it is a separate ongoing maintenance and servicing policy, so it wouldn't be fair or reasonable for Admiral to reimburse this cost.

Our investigator asked Admiral to outline what it would have cost them to carry out the same repairs that Mr H had to have completed by the manufacturer (the engineer replaced the Electrode and Zig). However, despite chasing them, Admiral didn't provide this.

As the repair cost Mr H incurred also included an extended service and maintenance agreement and neither are itemised separately, I agree with our investigator that it would be fair and reasonable here for Admiral to pay Mr H what it would have cost them to carry out those same repairs.

Mr H has asked for interest on this amount. However, Mr H wasn't out of pocket for this full cost for the entire period, instead he paid for his repair across monthly instalments, but this monthly instalment also included the policy for ongoing maintenance for his boiler. And it's not itemised exactly how much of the monthly instalment was for each. So, in these particular circumstances, I think it would be fair and reasonable for Admiral to add 8% simple interest to the amount due from the date Mr H paid his final instalment for the repairs to the date of reimbursement.

Admiral also paid £25 compensation for the amount of time Mr H had to spend on the phone trying to get through to them. However, as outlined above, I don't think the service Mr H received was in line with his reasonable expectations, and ultimately, he had to arrange his own repairs to restore his heating. I agree with our investigator that a further £75 would be reasonable, taking the total amount to £100. Whilst I note Mr H says this should be more, I'm satisfied taking the total compensation to £100 is reasonable.

My final decision

It's my final decision that I uphold this complaint in part and direct Admiral Insurance (Gibraltar) Limited to:

- Pay Mr H what it would have cost them to carry out the same repairs as the manufacturer
- Add 8% simple interest* from the date Mr H paid his final instalment for those repairs to date of settlement
- Pay Mr H a further £75 compensation taking the total amount of compensation to £100

*If Admiral Insurance (Gibraltar) Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr H how much it's taken off. It should also give Mr H a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 28 November 2023.

Callum Milne
Ombudsman