

The complaint

Mr S complains about Accredited Insurance (Europe) Ltd's handling of his home emergency claim.

What happened

Mr S holds home emergency cover with Accredited. He made a claim after his boiler broke down. An engineer attended and found a fault with a circuit board (PCB). The cost of the repair exceeded the £300 policy limit by £46.27 and so Mr S paid the difference. Accredited confirmed that Mr S could buy some heaters and it would reimburse him up to £100 for this.

A new PCB was ordered, but when an engineer attended to install it, they found that it was the wrong PCB. The correct PCB was then ordered. After this was installed, the engineer found another problem (with the thermistor). Accredited initially said Mr S would need to arrange his own repair at that point, as the policy limit had been reached. Though I understand Accredited did then order and install a new thermistor (which Mr S paid for).

Mr S complained to Accredited about its handling of the claim. He was offered £200 compensation due to the issues with the initial repair and for Accredited's lack of communication. Unhappy with this, Mr S brought a complaint to the Financial Ombudsman Service.

Our investigator upheld the complaint in part. She thought Accredited had been entitled to limit the payment under the policy to £300, and also thought the £200 compensation had been reasonable. However, as Mr S had shown that his electric bills had been higher for February and March 2023 compared to January 2023, she recommended that Accredited pay the difference.

I issued a provisional decision on 15 April 2024. Here's what I said:

'I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.'

- I've only considered what has happened up to the date of Accredited's final response letter of 24 April 2023.*
- The policy says that Accredited will pay up to £300 for each claim for emergency work. The policy defines 'emergency work' as: 'The reasonable efforts a contractor makes to deal with an emergency during a visit to your home. This will be a temporary repair or, if it can be done at a similar cost, a permanent repair.'*
- The engineer made an error when they ordered the wrong PCB. I appreciate this would have been frustrating for Mr S as it caused a week's delay. Though it seems the engineers only became aware that a thermistor was needed after the correct PCB was installed.*
- As the costs of the new parts exceeded the policy limit of £300, I find it was*

reasonable for Accredited to ask Mr S to pay the difference.

- Mr S says he wasn't kept updated throughout the claim. I see that Mr S called Accredited several times whilst it was waiting for a quote for the repair. The quote was received three days after the engineer initially attended, and then Accredited updated Mr S soon after. I think Accredited's handling of the claim was as I'd expect up to this point. However, after this Accredited didn't keep Mr S up to date. For example, I see he asked for an update on 8 March, but then had to call Accredited on 12 March when he didn't get a response. I think this was poor.*
- Mr S has provided us with a copy of his energy bills. These show that he paid more for electricity after his boiler broke down than he did previously (as he was using electric heaters). Though it's also the case that he paid much less in gas.*
- Our investigator recommended that Accredited pay the difference between the electricity bills in February and March 2023 compared to January 2023. However, I don't think that would be a fair outcome. Whilst Mr S is unhappy the boiler wasn't working for some time, that's because the parts were on order, which was outside Accredited's control. The only delay that Accredited was responsible for was between 28 February 2023 (when the wrong PCB was ordered) and 7 March 2023 (when the engineer realised the error and ordered the correct PCB). Mr S has confirmed that he bought the electric heaters on 5 March. So he only incurred additional electric costs for two days due to Accredited's error, though some of this would have been offset by the saving he made on gas.*
- Accredited offered Mr S £200 compensation. Taken in the round, I think this was reasonable compensation to recognise Accredited's lack of communication and also compensates Mr S for the delay due to the wrong part being ordered, including the additional energy costs for two days.'*

I asked both parties to provide any further comments they wished to make before I made a final decision.

Accredited didn't provide any further comments by the deadline we gave.

Mr S responded with the following main points:

- I hadn't considered that his wife had to stay at home for the repairs and lost out on earnings.
- He has had to pay out for two repairs, but hasn't been given a breakdown of this.
- He suggests that we consider experiencing the situation he has gone through first-hand.

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.

I recognise Mr S's strength of feeling on this matter. I'd like to reassure him that I considered all the evidence he provided before I made my provisional decision, including his detailed sequence of events. However, Mr S hasn't provided me with any new information that persuades me to increase the compensation already offered by Accredited. I remain satisfied that the compensation of £200 was reasonable, and takes into account the inconvenience caused by its handling of the matter.

I don't require Accredited to pay for any lost earnings. I appreciate there was one engineer visit which wasn't necessary (when the engineer attempted to fit the PCB but found the wrong one had been ordered). Though as I see it, this would be considered general distress and inconvenience and is covered by the £200 that I have said is fair and reasonable for this.

Mr S has explained he has paid £46.27 towards the new PCB, and £125.08 towards the replacement thermistor, but he didn't receive a breakdown of the costs. I assume he means he hasn't been shown how much the parts and labour cost, so he can check that the payments he made were correct. If he wants a breakdown of this information, he should contact Accredited directly about this. If he has any concerns about that breakdown, he should raise this with Accredited in the first instance.

My final decision

Accredited Insurance (Europe) Ltd has already made an offer to pay £200 to settle the complaint and I think this offer is fair in all the circumstances.

So my final decision is that Accredited should pay Mr S £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 30 May 2024.

Chantelle Hurn-Ryan
Ombudsman