

DRN-4870240



The complaint

Mr P has complained about Accredited Insurance (Europe) Ltd's decline of a claim under the home emergency section of his home insurance policy.

What happened

On 23 October 2023, Mr P contacted Accredited, as he was not getting any hot water. A contractor attended but said he'd need authority from Accredited to return to spend more time investigating the problem. Mr P chased up but was told that parts were needed which were not covered under the policy and that he should carry out repairs himself.

Accredited says the policy is intended to alleviate an immediate emergency only and specifically states that if a part cannot be repaired, it will not cover replacement. It said Mr P's boiler and heating system needed several new parts: a non-return valve was needed on four hot water pipes, the valve on the hot water cylinder was leaking and the expansion vessel was also leaking. It says there was no temporary fix that could be done and the repairs needed were beyond the scope of policy.

Mr P was very unhappy with this and asked that Accredited send another contractor for a second opinion to diagnose and repair the system. It declined to do so. Mr P said he spent £800 having the repairs recommended by Accredited's engineer done but he says this made matters worse and he was left without heating or hot water from mid-November 2023. Mr P reported this to Accredited and it agreed to send a contractor out but would not resolve the issue.

Mr P complained to Accredited about this. He says the policy does cover parts and the emergency was not resolved. Mr P says this has caused extreme distress to him and his family as well and they were without heating and hot water for some time. Mr P wants the cost of the work reimbursed and compensation.

As Accredited maintained its position, Mr P brought the complaint to this service.

One of our Investigators looked into the matter, He did not recommend the complaint be upheld, as he was satisfied the work needed to Mr P's boiler was outside the scope of the policy cover and Accredited was not obliged to carry out the permanent repairs needed.

Mr P does not accept the Investigator's assessment. He has said that the policy terms are unfair, unclear and deceptive; the policy wording regarding "*emergency work*" is deliberately ambiguous and law prohibits such practices and provides that the policy should be interpreted in his favour as the non-drafting party.

Mr P also says that Accredited emailed him on 28 December 2023, offering potential financial compensation to settle the claim. While it requested further information, this initial offer suggests an acknowledgement of some responsibility on their part.

As the Investigator was unable to resolve the complaint, it has been passed to me.

In the meantime, the Investigator asked Accredited about the email of 28 December 2023. It said this related to a later complaint.

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 P's policy provides cover for various issues that might arise in the home. The cover relevant to this complaint is as follows:

"What's covered

Depending on the terms, conditions and exclusions of this policy, we will pay up to £300 (including VAT) for each claim for emergency work for covers 1 to 6, with a maximum limit of £600 (including VAT) in any one period of insurance.

Cover 1 - Boiler and heating system

An emergency relating to all or part of your central-heating system or your boiler and controls failing, caused by a breakdown or leak.

We will not replace any item that cannot be repaired (for example, we will not replace water tanks, cylinders, radiators or radiator valves)."

There is no dispute that the failure of a boiler is an emergency under the policy and I think it is sufficiently clear that the policy limit for each claim is £300 and that Accredited will not replace parts that cannot be repaired.

The policy defines "emergency work" as being:

"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 contractor's cost for emergency work is limited to:

- 1. their call-out charge;*
- 2. their labour charge for the repair; and*
- 3. the costs of parts and materials."*

Mr P says that the fact this definition mentions parts and materials means that the policy does cover replacement parts but I do not agree. The policy definition set out above does not change the terms of the cover, which make it clear that only a temporary repair to alleviate the immediate emergency is covered, up to a limit of £300 and that Accredited will not replace parts that cannot be repaired.

Mr P also says that any ambiguity in the policy terms should be interpreted in his favour. However, as stated, I do not think the actual cover is unclear.

Accredited's contractor inspected the boiler and diagnosed a number of issues and parts that needed to be replaced. I am satisfied for the reasons given above that Accredited was not obliged to carry out the repairs its contractor determined were necessary under the policy.

Mr P asked for a second opinion but in the absence of any evidence that the diagnosis was wrong, I do not think it was unreasonable for Accredited to refuse to send another contractor to look at the boiler.

Mr P says he spoke to two other plumbers that both said Accredited's contractor's suggestions for repairing the problem were flawed and would not help the issue. Mr P also says he nevertheless went ahead with the repairs Accredited's contractor said were needed

but they did not resolve the issue. I have not however, seen any report from any of these contractors to support what Mr P has said.

Mr P also says that Accredited's contractor said changing the non-return valve on the hot water supply pipe to the kitchen tap would resolve the issue but when he isolated the kitchen tap, the problem continued. Mr P says this proves that the contractor was incorrect. I do not agree that this means his diagnosis of any of the other issues and parts that were needed was not a reasonable diagnosis at the time based on what he was seeing.

Accredited's contractor made his diagnosis, which meant the repairs were not within the policy cover. There is no convincing independent evidence, that has been provided to me, that this was not a reasonable diagnosis at the time. I do not therefore think that Accredited was required to do anything further at that time and given this, it is not responsible for any inconvenience or trouble caused as a result of not having hot water.

Mr P says he also had a failure of hot water and heating in November 2023 and made another claim under the policy then. There's no evidence, as far as I am aware, this is related to anything Accredited did wrong in October 2023. So based on the evidence available to me, I do not think this impacts my findings on the handling of the October 2023 claim. Mr P has also raised issues about the handling of that claim, and I understand that is what was addressed in the 28 December 2023 email referred to in the background section above, but I am not able to address that in this decision.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 22 July 2024.

Harriet McCarthy
Ombudsman