

The complaint

Mr N has complained that Admiral Insurance (Gibraltar) Limited ('Admiral') unfairly dealt with a claim under his home emergency policy.

What happened

Mr N contacted Admiral to send an engineer. His boiler had failed, leaving him with no heating or hot water. Admiral arranged for an engineer to visit, who was unable to repair the boiler. Mr N contacted Admiral to chase progress on the repair, as he still had no heating or hot water. Admiral told Mr N about the cover under the policy for alternative accommodation and for heaters. Mr N moved out of his home for a few days and also bought a heater.

Mr N continued to chase Admiral for progress on the repair. About two weeks later, Admiral told Mr N it had been trying to contact the engineer but had been unable to do so. It said Mr N could arrange his own engineer to carry out a temporary repair and it would refund the cost.

Mr N complained that the engineer caused delays because he ordered wrong parts, that Admiral wasn't able to appoint a new engineer and about the costs he'd had to pay. When Admiral replied, it said the contractor had ordered the correct part and the delay was due to it not being able to contact the engineer, which meant the part couldn't be fitted. The contractor passed the claim back to Admiral to ask it to find another engineer because it didn't have any engineers available. Admiral was unable to find an engineer within its network, so it told Mr N he would need to find his own engineer. It said the invoices for alternative accommodation and the heating allowance had been paid. It said it had also received Mr N's invoice for the boiler repair, but it was a yearly payment plan. It said it was only able to pay the cost of a temporary repair. It said that if Mr N provided the correct invoice, it would arrange payment. It said the weather could affect the availability of engineers but, in this instance, the issue was that the engineer failed to respond to the contractor. It offered a payment of £50. It later offered a further £50 towards Mr N's electricity costs as a gesture of goodwill.

When Mr N complained to this Service, our Investigator didn't uphold it. He said Mr N and Admiral disagreed about whether the wrong part was ordered. However, the key issue was that Admiral was unable to contact the engineer. Following this, Admiral told Mr N it would pay for him to arrange his own engineer to carry out a temporary repair. Admiral also paid for Mr N's alternative accommodation and heaters and offered £100 compensation. Overall, he thought this was fair to deal with the issues.

Mr N didn't agree this fairly reflected what had happened or the impact on him. So, the complaint was referred to me.

I issued my provisional decision on 6 August 2024. In my provisional decision, I explained the reasons why I was planning to uphold the complaint. I said:

I should note that I think some of the evidence and information in this case has been inconsistent or contradictory. I asked Mr N and Admiral about what happened and for

supporting information but gaps remain in the evidence. I've therefore made my decision based on the information currently available to me.

I've looked at whether there was a claim delay and, if there was, the reasons for this. Mr N contacted Admiral on 30 November 2022 to make a claim. It's my understanding that an engineer visited Mr N's property on 1 December. The engineer left the property without completing the repair because a part was required. I don't think it's necessarily unusual that an engineer can't carry out a repair on their first visit or that they might need to order a part. It isn't currently clear to me what the engineer did after he left Mr N's property on 1 December.

The same day, Mr N contacted Admiral to ask for an update on the contractor's visit. Admiral told Mr N the engineer's update hadn't yet been added to the claim, but that it might happen overnight. Admiral explained the policy cover for alternative accommodation and heaters. I've seen an invoice for alternative accommodation for the period 2 December to 5 December. I've also seen the engineer's report. This listed the issue as "full boiler failure" and the engineer's report said "Attended to TF - Ignition failure. Traced to failing spark gen and electrode, rep req".

Admiral's records show that Mr N contacted Admiral's contractor on 9 December to chase the engineer. That day and on 12 December and 14 December, the contractor tried to contact the engineer by phone. It also sent him texts that said Mr N and Admiral were chasing an update on the claim. The text asked the engineer to call the contractor if there were outstanding works so it could order parts. The engineer didn't respond. On 14 December, Mr N phoned the contractor asking for an update.

On 16 December, the contractor again tried to contact the engineer and also contacted some other companies. It didn't get any responses. So, the contractor told Admiral it couldn't contact the engineer and couldn't find another engineer to do the work. It asked Admiral to appoint someone else and cancelled the job. Admiral also tried to find an engineer but was unable to do so. It's my understanding that Admiral told Mr N that day, or the next day, it couldn't provide an engineer.

I've listened to a phone call between Admiral and Mr N that took place on 22 December. Admiral told Mr N it had been exceptionally busy due to the weather. It said it was prioritising emergency call-outs. Mr N asked why, if that was the case, he was still waiting for an engineer three weeks after he first contacted Admiral. Admiral didn't directly answer the question and focussed its response on what it could now do to resolve the claim. Initially, this was that Mr N would need to find his own engineer. However, it was later agreed that Admiral would also check again if it could find an engineer.

During that call, Mr N said he wanted to complain. Following this, Admiral asked the contractor for its response to the complaint issues. The contractor said "Unfortunately, following the order being placed for the required parts, we were unable to contact the engineer. Despite attempting to contact this engineer for two days, we eventually had to pass this claim back on 16 December 2022 at 10.48am". So, I think it's fair to say the contractor said the engineer was responsible for any issues, that it had chased the engineer for a short period and that it had ordered the parts. I don't think this is consistent with the other evidence I've seen.

If I look at the timescales first, the contractor started to chase the engineer on 9 December. On 16 December, seven days later, the contractor was still chasing the engineer and it also tried to find another engineer, both without success. So, I think that was a lengthier timeframe than was suggested by Admiral or its contractor. By the time the contractor said it couldn't deal with the claim, it had been ongoing for 16 days and for seven of those days the

contractor had been chasing the engineer every couple of days for an update. I think the claim could have been progressed sooner, even if only to tell Mr N that he was going to have to arrange his own engineer.

Mr N also told this Service “Admiral don’t order the parts and they did not order any parts. The engineer came here and looked at the boiler and he told them what he needed. When he came back those parts didn’t work and he ordered another one from my local dealer and he went to collect it. When the engineer did not come back to do the [work] it was very difficult to contact [Admiral].”

When Admiral sent this Service its records, it said the parts had been ordered and that the engineer hadn’t tried to fit wrong parts. I note that when the contractor tried to contact the engineer its texts said “Please call us if works are outstanding so we can get parts ordered”. I think this suggests it hadn’t ordered any parts. I asked Admiral for evidence of the parts being ordered. Admiral then told this Service that “no parts were ordered as we did not have the availability to return due to not being able to contact the engineer...”. I also asked Admiral how many times the engineer visited. It said he visited once.

Given Mr N dealt with the engineer and Admiral was unable to contact the engineer for updates, I’m currently more persuaded by Mr N’s account of what happened. So, I think the engineer likely visited more than once, although I don’t know over what period, and that he tried to fit parts that weren’t suitable. I’ve not seen evidence the contractor itself ordered any parts, despite it saying that it did. I think the main reason for the delay seemed to be caused by the engineer. But, I’m also mindful that the engineer was working on behalf of Admiral. It appointed an engineer who, for reasons that are unclear, was unable to complete the job and stopped making contact.

Overall, I think Admiral’s customer service was poor and that it left Mr N and his family in a difficult position, without a working boiler at a cold time of year. I’m aware Admiral paid for Mr N’s alternative accommodation and for heaters, but I think it could have done more to prioritise Mr N’s claim to bring it to a conclusion. It didn’t seem to know what was happening with the engineer and then, when it became aware there might be an issue, it took a week to decide what to do. I also think Admiral didn’t adequately explain why, if emergencies were being prioritised, this didn’t seem to be the case for Mr N. I think there were avoidable delays and that when Admiral replied to the complaint it didn’t fully consider what had happened with the claim and the impact on Mr N. I think this added to Mr N’s sense that his claim wasn’t fairly dealt with.

So, I’ve thought about compensation. Admiral offered Mr N £50 compensation for the issues with the claim. Having thought about this carefully, I think £150 more appropriately reflects the impact on Mr N because of the way the claim was handled. So, I currently think this is the amount Admiral should pay. This includes the £50 it already offered.

Mr N also wanted Admiral to pay some of his costs. While Mr N was without hot water, he had a 210-litre hot water cylinder fitted at a cost of £2,850. It’s my understanding it was fitted on about 10 December and that the property didn’t previously have a cylinder. At this time, Mr N was chasing Admiral for an update on the claim. Although I can understand Mr N wanted his hot water restored, I’m not persuaded Admiral needs to pay the cost of a new cylinder. The policy said it covered a “temporary repair” up to a maximum of £500 per claim. A temporary repair was defined as:

“Work or repairs needed immediately to stop further damage being caused by the emergency. You may need to arrange further work or repairs, at your own cost, to permanently fix the issue.”

I don't think I can fairly say that fitting a cylinder for the first time would be considered a temporary repair, even if Mr N only intended to use it until the boiler was repaired. So, I don't currently intend to say Admiral should cover this cost.

Mr N also said his electricity costs increased by £400 in the month it took for the boiler to be repaired. I'm mindful that Mr N had a hot water cylinder fitted that plugged into the electricity supply. So, I think this was likely to have contributed to the increased electricity costs. Mr N was also using heaters. Admiral offered £50 for the heaters and, as a gesture of goodwill, £50 towards electricity costs for running them. In the circumstances, I think the contribution towards the cost of running the heaters was reasonable. I don't currently intend to say it should pay anything else towards the electricity costs.

Admiral also told Mr N it would pay the cost of the boiler repair subject to it receiving the invoice for the work. It's my understanding that Mr N provided an invoice for a payment plan. Admiral said it wouldn't pay this invoice as it wasn't for the repair, but he could still submit the correct invoice. I think that was fair in the circumstances. If Mr N wants to be reimbursed for the boiler repair, he should provide Admiral with the boiler repair invoice so it can consider it.

I asked both parties to send me any more information or evidence they wanted me to look at by 3 September 2024. Both parties replied before that date.

Admiral said my decision was fair and that it could make the payment.

Mr N provided copies of his phone bills to show the amount of time he spent phoning Admiral and its contractor to try and get his boiler fixed. He said he didn't get a response most of the time. He said, during that month, he spent almost 10 hours phoning and most of the time he was at work, which caused problems.

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 uphold this complaint and for the reasons given in my provisional decision. As part of that, I've read and thought about Mr N's phone records. However, this doesn't change my view about how this complaint should be resolved.

When I made my provisional decision, I was aware Mr N had said he spent a lot of time trying to contact Admiral and its contractor and chasing progress on his claim. When I thought about compensation, I took this into account, as well as Admiral's customer service more broadly. I remain of the view that £150 compensation is fair in the circumstances to reflect the impact on Mr N.

Putting things right

For avoidance of doubt, Admiral needs to pay a total of £200, which is made up of its £50 gesture of goodwill and £150 compensation. If it has paid any of these amounts already, it can deduct those from the total it now pays.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that this complaint is upheld. I require Admiral Insurance (Gibraltar) Limited to:

- Pay the £50 gesture of goodwill it offered towards the electricity costs.
- Pay £150 compensation, which includes the £50 compensation it previously offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 20 September 2024.

Louise O'Sullivan
Ombudsman