

The complaint

Mr R has complained about the way his insurer, Inter Partner Assistance SA ('IPA'), dealt with a claim he made on his home emergency policy.

IPA is the underwriter of this policy i.e. the insurer. During the claim Mr R also dealt with other businesses who act as IPA's agents. As IPA has accepted it is accountable for the actions of its agents, in my decision, any reference to IPA includes the actions of the agents.

What happened

I issued a provisional decision on this complaint last month. An extract from that decision follows:

"In July 2023 Mr R made a claim on his home emergency policy because he had no heating or hot water.

Mr R said he called IPA a number of times to make a claim but getting through to someone was always a struggle and that the wait times were long. He said when the engineer did attend, he said that the heating pipes were blocked. The engineer said he wasn't sure what the problem was, and that Mr R might need an electrician. When the electrician attended, he said he didn't know why he had been called out.

Mr R emailed IPA a number of times in July 2023 to say that he still didn't have heating or hot water. He said he wanted IPA's authority to instruct his own engineer. Mr R said he also wasn't provided with IPA's complaints procedure despite asking for it. In his emails he also said that he and his wife are vulnerable due to their age and were struggling with the cold weather.

Mr R found his own engineer who fitted a new central heating pump, carried out a chemical clean and replaced a three-port valve. The repairs were completed around three weeks after the claim was made. Mr R paid £660 for the repairs but IPA only refunded £150. Mr R said that his policy covered him for up to £1,000 and wanted IPA to pay him the remaining £510.

Mr R then proceeded to complain and said he wasn't happy that none of IPA's agents tried to make any temporary repairs. IPA partially upheld the complaint. It said it sent an engineer to Mr R's house the day after the claim was reported. The engineer said that the pipes were hot but the radiators weren't and recommended an electrician as he said there may be a problem with the power. An electrician attended two days later and recommended that a gas engineer with electrical knowledge attends instead. Mr R then decided to get his own engineer. IPA said it didn't cover all of Mr R's costs as his engineer confirmed there was sludge in the system which is excluded under the policy. IPA said it paid the £150 call out

charge. It apologised that Mr R didn't receive call backs when he should have and offered him £100 for the distress and inconvenience he was caused.

Mr R then brought his complaint to us. He said that he didn't have heating or hot water for three weeks. He said it was particularly cold at that time and also that he and his wife are vulnerable and in poor health and were really affected by the cold. He said he wanted the £510 shortfall to be paid to him by IPA.

One of our investigators reviewed the complaint and thought it should be upheld. He thought IPA should reconsider Mr R's claim upon receiving an itemised invoice and pay for work covered under the policy. He also said it should pay interest on the amount it pays from the date Mr R paid the invoice. He also thought that IPA should pay Mr R £400 for the distress and inconvenience it caused him and said it failed in its duty to provide better outcomes for Mr R and resolve his heating issues particularly bearing in mind he said he was struggling with the cold and was vulnerable.

IPA didn't agree and asked for an ombudsman's decision. It said that the fact that sludge was identified which led to the chemical flush being carried out, would make the claim null and void. It said it could potentially look to cover the three-port valve but not the chemical flush and pump as they were the result of sludge. It said this would exclude 90% of the invoice. It maintained its £100 compensation offer.

Mr R didn't agree with IPA's comments. He said that the engineer and electrician who attended did not inspect the pump or the valves. Mr R provided an email from his engineer who said that the pump was old and broken. He said that he found the system clean and that the pump motor was worn out. He added that if the system was dirty, he would normally recommend a chemical flush before replacing the pump but this wasn't the case with Mr R's boiler.

The matter was then passed to me to decide.

Before I proceeded with my decision, I asked our investigator to provide IPA with a copy of the engineer's comments. I also said that I found Mr R's engineer's evidence more persuasive than IPA's as it contained more detail. I said I also didn't think it was fair or reasonable for IPA to now raise the issue of sludge as being the cause of the damage to the pump and that it had many opportunities to properly investigate the issue and failed to do so. I said I thought it was fair and reasonable for it to settle everything on the invoice apart from the chemical flush.

I added that under the policy Mr R was entitled to heaters (up to £50) and temporary accommodation (up to £250). I said I thought that Mr R's house was probably uninhabitable and so the heaters and the accommodation should have been offered. I said IPA's notes say temporary accommodation was offered but it doesn't say what happened next. IPA didn't respond by the deadline we set.

We also asked Mr R whether he had been offered temporary accommodation and he said he hadn't.

What I've provisionally 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 policy

Mr R has a home emergency policy as part of his buildings and contents cover. The policy covers him for emergencies relating to, among other things, plumbing including hot and cold water pipes as well as heating water pipes. It also provides cover in the event of complete failure or breakdown of the primary heating/hot water system resulting in no hot water and/or heating. The policy doesn't cover descaling and any work arising from damage caused by sludge resulting in corrosion. It also excludes any routine maintenance, cleaning and servicing as well as repairs that require a power flush of the boiler or main heating system. The policy covers costs up to £1,000 inclusive of VAT.

The policy also includes the option to buy heaters up to a value of £50 including VAT on a reimbursement basis in the event that the customer has no heating and a part needs to be ordered after the engineer's first visit or if IPA is unable to repair the boiler/heating system. Or IPA can deliver two temporary heaters to the customer's home.

The policy also includes up to £250 including VAT for the cost of alternative accommodation including transport in the event of the home becoming uninhabitable and remaining so because of a covered event.

The cost of the repairs

Mr R made his claim on 14 July 2023. IPA tried to find an engineer but one wasn't able to attend until the following day. The engineer said that the pipes were getting hot but the radiators weren't. He said an electrician was required but also that the system might have sludge. IPA said that an electrician attended on 17 July 2023 but its system notes don't really say what he said other than that an engineer with electrical knowledge was required and that Mr R would have to "raise a new job" for this.

Mr R's engineer attended on 6 August 2023 and completed the repairs. I have seen his invoice which says that there was a faulty pump which needed to be changed. The invoice also said that the engineer carried out a chemical clean as there was sludge in the system. He also changed a three-port zone valve. The engineer has since clarified that the pump was broken. IPA argued that this could have been caused by there being sludge in the system. The engineer said that the system was clean and if that hadn't been the case, he would have carried out the chemical clean before replacing the pump. As far as I am aware none of IPA's engineers tested for sludge though one of them commented that there may have been some sludge due to the radiators not heating up. As I said to IPA, I do find Mr R's engineer's evidence more persuasive than its engineers'. Mr R's engineer has provided more detail and he was also the one who carried out the repairs. So, on the evidence available to me, I don't think sludge caused the problem with the pump. It follows that I think IPA should cover the cost of replacing the pump as it is a covered event under the policy.

IPA said that it would consider the cost of the three-port valve and I think this is fair and reasonable and I think this is also something that would be covered under the terms of the

policy as it relates to the heating system failure. The cost of a chemical clean is not something that is covered under the policy so I don't think IPA should pay for it.

Customer service

IPA accepts that its customer service was poor as Mr R didn't receive call backs when he should have been. I have also seen the emails Mr R was sending IPA in July 2023 requesting updates and for the work to be done and highlighting that he and his wife are vulnerable and need urgent assistance.

Though I don't think IPA delayed instructing engineers to attend I think it did fail in progressing the claim and trying to resolve the matter. The last note from its engineers says that Mr R would have to raise a new claim/job for an engineer with electrical knowledge to attend. I don't think it's fair and reasonable to expect Mr R to do this. I think this is something IPA should have followed up. Instead it seems it was left up to Mr R to find his own engineer to resolve the issue. And the issue wasn't resolved for three weeks.

I don't think IPA's overall service was up to the standard we would expect and I think it left Mr R and his wife who were both vulnerable in a very difficult situation. I think IPA should pay them £250 compensation for the distress and inconvenience it caused Mr R.

Additional cover

As I said above, the policy provides for alternative accommodation if a property becomes uninhabitable. Mr R said the weather was cold even though it was July. And I think without heating or hot water a house would arguably be uninhabitable. IPA seems to have offered Mr R alternative accommodation at some point, so it seems to accept this.

In its final response IPA said that alternative accommodation was offered but it didn't say whether this was accepted or not. We asked Mr R who said it wasn't offered. From IPA's notes I see that it said alternative accommodation was offered on the day the claim was made which was the day before the first engineer attended. If that was the case, if Mr R was expecting that the matter would have been resolved when the engineer attended then it isn't unreasonable that he may have turned that offer down. I think alternative accommodation should have been offered again after the engineer's visit when it became apparent that the heating or hot water wouldn't be restored for some time.

I think IPA should pay Mr R the £250 it would have had to pay for alternative accommodation as this is something he was entitled to under the policy. I think it must also pay him £50 for failing to offer heaters which is also something Mr R was entitled to under the policy.

My provisional decision

For the reasons above I am considering upholding this complaint and requiring Inter Partner Assistance SA to pay for the cost of the boiler and heating repairs but not for the cost of the chemical clean. It should also pay 8% simple interest per year on the amount it pays Mr R from the date Mr R paid the engineer's invoice to the date it pays him.

It should also pay Mr R £250 compensation for the distress and inconvenience it caused him by its poor customer service and delays. And it should pay him £250 for failing to offer him alternative accommodation and £50 for the heaters it should have provided.”

Both parties responded to my provisional decision ahead of the deadline. IPA accepted it. Mr R said that he was happy this was coming to an end but queried the fact that I had not made the same £400 compensation award for distress and inconvenience that our investigator made.

I responded to Mr R to say that I felt that £250 compensation was more appropriate in the specific circumstances of his complaint. I also said that I had awarded him a further £300 for IPA's failure to provide heaters and alternative accommodation. This meant that his overall compensation award was higher than what had been awarded by our investigator. I said I would be issuing my final decision shortly.

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 R queried the £250 compensation I awarded as opposed to the £400 awarded by our investigator for distress and inconvenience. As I said in my provisional decision I felt that £250 was fair and reasonable and in line with awards we would usually make for distress and inconvenience that lasted a matter of weeks.

As there were no further comments from Mr R and as IPA accepted my provisional decision, I see no reason to change any of the findings I made in my provisional decision. My provisional findings along with any further comments here are now the findings of this my final decision.

My final decision

For the reasons above I am upholding this complaint and requiring Inter Partner Assistance SA to pay for the cost of the boiler and heating repairs but not for the cost of the chemical clean. It should also pay 8% simple interest per year on the amount it pays Mr R from the date Mr R paid the engineer's invoice to the date it pays him.

It should also pay Mr R £250 compensation for the distress and inconvenience it caused him by its poor customer service and delays. And it should pay him £250 for failing to offer him alternative accommodation and £50 for the heaters it should have provided.

Inter Partner Assistance SA must pay the compensation within 28 days of the date on which we tell it Ms R accepts my final decision. If it pays later than this it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

If Inter Partner Assistance SA considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr R how much it's taken off. It should

also give Mr R 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 R to accept or reject my decision before 1 November 2024.

Anastasia Serdari
Ombudsman