

The complaint

Mr P has complained about the way Inter Partner Assistance SA dealt with a claim under his home emergency insurance policy.

What happened

Mr P had a home emergency policy which was underwritten by Inter Partner. The policy covered assistance and repairs up to a value of £250 for the call-out charge, labour cost, parts and materials in the event of a home emergency.

On 26 April Mr P contacted Inter Partner as his boiler wasn't working properly. The next day Inter Partner's engineer attended the property. He found that there was an issue with the condensate pump which needed to be replaced. He said Inter Partner would contact Mr P about the cost. In the meantime Mr P found that the replacement part was readily available at two local plumbers' merchants for £328.80 including VAT. He was told that the trade price for the same part was £245 plus VAT.

On 29 April Inter Partner contacted Mr P. It said the repair would cost a total of £575.93. As his policy only covered repairs up to £250, it asked him to pay £325.93 for the work to be undertaken. Mr P asked for a breakdown of the price and was told that it included £383.92 for the replacement part and two hours' labour. Mr P said he didn't feel able to challenge this as he needed his boiler repaired urgently.

The pump was replaced on 30 April. Mr P said the job took 30 minutes. Mr P complained to Inter Partner as he believed he had been overcharged for the part and labour.

Inter Partner said its contractors use their preferred suppliers who provide only manufacturer approved parts.

Mr P brought his complaint to this service. I issued a provisional decision explaining why I was minded to uphold the complaint in part. An extract from my provisional findings is set out below:

"The policy is designed to cover the cost of repairs to deal with an emergency such as loss of heating and/or hot water. It states that:

"The most We will pay for any single event is up to £250 (including VAT) towards the cost of the qualified person who We choose to deal with this Home Emergency, in respect of the call-out charge, labour and any materials that are necessary, plus up to £100 towards alternative accommodation."

The breakdown provided by Inter Partner sets out how the total fee of £575.93 was broken down. This was as follows:

"Fee £30.00

Call-out (ex. VAT) £45.00

2 Hours In @ £45.00 £90.00

0 Hours OH @ £0.00 £0.00
Total Labour (ex. VAT) £90.00
Parts (ex. VAT) £319.94
Others (ex. VAT) £0.00
Work Total (ex. VAT) £484.94
VAT (ex. Fee) 20.00 £90.99
Estimate (inc. VAT) £575.93
Customer Overlimit £325.93
Billable Total £250.00"

It isn't clear what the fee of £30 included in this breakdown relates to. As it's separate from the call-out charge, labour and materials, I don't think it's fair for it to be included in the total.

I can understand that Inter Partner didn't know at the outset how long the repair would take and so it may well have been sensible for it to over-estimate the time the job would take. But if the job took 30 minutes while Mr P was charged for 2 hours' labour, in order to treat him fairly I provisionally think Inter Partner should refund one hour's labour charge of £45.

Engineers don't carry every part they might possibly need with them. This means an additional visit will often be required. I don't think that's unreasonable.

So far as parts are concerned, the policy states:

"Availability of parts is an important factor in providing emergency repairs. If Our engineer does not carry the spare parts needed on the day of Your appointment, We will do all We reasonably can to find and install parts from Our approved suppliers."

Inter Partner has acknowledged that Mr P's replacement pump probably could have been obtained more cheaply but its contractors use their preferred suppliers who provide only manufacturer approved parts. That may account for some of the difference in cost. In addition it's common practice at each stage of a supply chain for a margin to be added, so I am not surprised that Mr P was charged more for the pump than he would have paid to a plumber's merchant. The mark-up in this case does not seem to me to be excessive. So I don't think he has been treated unfairly in this respect."

Mr P accepted my provisional decision and asked whether I would recommend additional compensation for the stress he'd suffered and ten months of inconvenience.

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.

As neither party objected to my provisional findings about the cost of the claim, I see no reason to change them.

Our service has strict guidelines on awards of compensation for trouble and upset. In this case Mr P's home emergency seems to have been dealt with promptly although I appreciate that it was very annoying for him to pay more than he should have done towards the repair. Making an insurance claim won't always be without some level of stress but we don't make awards for things that aren't significantly more serious than the normal nuisances of everyday life. So just because Inter Partner made a mistake, it doesn't necessarily follow that we should award compensation on top of the amount Inter Partner has to repay. In the circumstances I don't feel compensation is justified in this case.

My final decision

For the reasons set out above, I uphold this complaint and require Inter Partner Assistance SA to pay Mr P £90 being a refund of the fee of £30 and one hour's labour cost of £45 plus VAT.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 17 April 2025.

Elizabeth Grant
Ombudsman