

## **complaint**

Mrs R, supported by her husband Mr R, complains that AmTrust Europe Limited is responsible for poor service under a home emergency insurance policy.

## **background**

Under the rules by which we are bound, the Financial Ombudsman Service can only deal with a complaint against one regulated financial business at a time. We deal with complaints about claims under insurance policies as complaints against the insurer responsible for dealing with claims. In Mrs R's case, we are dealing with a complaint against AmTrust.

Where I refer to AmTrust or the insurer I include engineers and others for whose actions I hold AmTrust responsible.

Mrs R had cover for her central heating system. It was branded with the name of an energy company.

Mrs R called for help with the boiler but she complained that the company never fixed it – repeatedly saying it needed a power flush. So Mrs R paid a plumbing company £506.08 to fix the boiler.

### *our investigator's opinion*

Our investigator didn't recommend that the complaint should be upheld. He thought that the occasions when the boiler functioned intermittently wouldn't meet the policy definition of a breakdown or fault. He said that the original complaint letter to AmTrust says there wasn't '*that much*' sludge and a letter to us said was no sludge '*other than what you would expect*'. So the investigator didn't place a lot of weight on the plumbing company's evidence that there was '*no sludge evident*'. The investigator didn't think that the insurer should reimburse Mrs R for the plumbing company's repair, given the insurer hadn't looked at the boiler on this occasion.

### *my provisional decision*

After considering all the evidence, I issued a provisional decision on this complaint to Mrs R and to AmTrust on 25 June 2019. I summarise my findings:

- Mrs R continued to pay the insurer and she renewed the policy in November 2018. But she didn't call for its help.
- Furthermore, in March 2019 Mr and Mrs R contacted the plumbing company before the insurer.
- As Mrs R hadn't asked it to do anything for a year or so, I wasn't minded to find there was anything that the insurer should've done - whether or not there was a significant amount of sludge in the system.

Subject to any further information from Mrs R or from AmTrust, my provisional decision was that I wasn't minded to uphold this complaint. I didn't intend to direct AmTrust Europe Limited to do any more in response to this complaint.

AmTrust hasn't responded to the provisional decision.

Mr and Mrs R disagree with the provisional decision. They say, in summary, that:

- The energy company is involved in scamming customers.
- We have not challenged its practices.
- Mr and Mrs R will continue to fight through the courts.

### **my findings**

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

From what I've seen, Mrs R took out cover in about 2012. I think it was annual cover and its terms changed over the years.

Mrs R has sent us a copy of terms dated February 2016 and an annual renewal letter dated November 2016. I can't see any indication that AmTrust was involved at all at that time. So I don't find the insurer responsible for the visits in March 2016 when the energy company or one of its group companies fitted a new manifold and cleaned the plate heat exchanger.

The insurer has sent us copies of renewal letters dated November 2017 and November 2018. They make it clear that – from November 2017- there was insurance cover under which AmTrust was the insurer responsible for dealing with claims.

The policy summaries from November 2017 and November 2018 each say that the insurer didn't cover any repairs or flushing required as a consequence of sludge. I find that repairs as a consequence of sludge would typically be to parts of the system containing water.

The policy terms (updated May 2018) said that AmTrust wouldn't pay for repairs undertaken by a third party and not instructed by the insurer.

In March 2019 the plumbing company replaced the printed circuit board (PCB) and later a pump. Mr and Mrs R were pleased that their system was working better than for a long time. So I can understand that – having paid over £500.00 to the plumbing company – they asked why the insurer hadn't fixed it long ago.

But AmTrust had no involvement before November 2017. And boilers (and especially older boilers) can suffer from more than one fault.

From November 2017 Mrs R paid the insurer. But she didn't call for its help. So I don't find there was anything that it should've done before she called for help in March 2018.

The insurer sent an engineer. He found the boiler was working. And Mrs R didn't complain or ask for another visit. There was also an annual service in June 2018. That wasn't covered by the insurance. But it generated a record that the system was working.

Mrs R continued to pay the insurer and she renewed the policy in November 2018. But she didn't call for its help. Furthermore, in March 2019 Mr and Mrs R contacted the plumbing company before the insurer. I don't doubt they had their reasons for this. One of those

reasons was that they were aware that the insurer wouldn't pay for repairs or a flush needed as a consequence of sludge.

However, as Mrs R hadn't asked it to do anything for a year or so, I don't find there was anything that the insurer should've done - whether or not there was a significant amount of sludge in the system. So I don't think a report on the amount of sludge would make any difference to my decision.

Overall I don't find it fair and reasonable to order the insurer to reimburse Mrs R for the plumbing company's invoice or to do anything further in response to this complaint.

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct AmTrust Europe Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 9 August 2019.

Christopher Gilbert  
**ombudsman**