

complaint

Mr and Mrs R complain that AmTrust Europe Limited is responsible for poor service in connection with their home emergency insurance policy.

background

The Financial Ombudsman Service deals with consumer complaints against insurance companies and other regulated financial firms. Where the complaint is about a claim under an insurance policy, we deal with it as a complaint against the insurance company responsible for dealing with the claim.

In our final decision we name the insurance company but we don't name other companies or individuals.

Mrs R had an agreement branded with the name of an energy group company. It covered an annual boiler service. That was to be provided by the energy group company.

The agreement included cover for repairs. AmTrust was the insurance company responsible for dealing with claims for repairs. Where I refer to AmTrust or the insurance company, I include the energy group company and individuals insofar as I hold AmTrust responsible for their actions.

As Mrs R was living with Mr R I think it's fair to say he also had the benefit of the insurance.

In December 2018 Mrs R was pregnant. She and Mr R already had a young child living with them.

Their boiler stopped providing central heating and hot water. So they called the energy group company for help.

They complained that there were wasted visits and it took nearly three weeks to repair their boiler. They incurred extra electricity costs for fan heaters. Also their health suffered.

The energy group company apologised to Mr and Mrs R and offered to pay them £120.00 for the distress and inconvenience they were caused.

Our investigator dealt with the complaint as though it were against the energy group company. He recommended that the complaint should be upheld. He thought that - given the number of visits that took place over 18 days - the level of compensation ought to be increased. He recommended that the energy company should increase the level of compensation to £300.00.

The energy company agreed with the investigator's opinion. It says it sent a further payment of £180.00.

Mr and Mrs R disagreed with the investigator's opinion. They asked for an ombudsman to review the complaint. They say, in summary, that:

- £300.00 is not enough as this only covers the money they have lost and does not account for any mental, physical or emotional discomfort.

- £500.00 would be more acceptable.

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 my review of what Mr and Mrs R and the energy group company have each said, I have counted six or seven visits from 2 to 18 December 2018.

In its final response letter the company said the following:

“boiler maintenance is not an exact science; any given symptoms may be indicative of several different and unrelated faults.”

From my experience of dealing with complaints about repairs, I accept that a number of visits may be reasonably necessary to replace some parts before identifying a need to replace others.

However, I consider that – after the visit on 7 December 2018 - the company should've realised that Mr and Mrs R were a priority case because of their young child and Mrs R's pregnancy. She was evidently distressed on the telephone.

Yet I have noted some significant delays between visits, most notably between the visits on 7 and 14 December 2018.

Mr and Mrs R had the benefit of fan heaters. But that was no substitute for central heating and hot water in the cold weather of December 2018.

Mr and Mrs R have said that the fan heaters increased their electricity bill from their normal £25.00 for a typical month to £70.00 for just for those few days. But in my view, some of that was inevitable.

I haven't seen enough detail (such as meter readings) to find the insurance company responsible for a financial loss. I accept that part of Mr and Mrs R's upset was concern about their electricity bill.

Mrs R and her son became unwell. But I haven't seen enough medical evidence to show that this was caused by lack of central heating.

Mrs R says she works as a self-employed contractor on a daily rate of £75.00. She says she missed 5 days of work for engineer's visits. And I find it likely that 2 of those visits were unproductive. But I haven't seen enough evidence to show that Mrs R couldn't make up the time later. So I don't find the insurance company responsible for a loss of earnings.

I keep in mind the cold weather and Mr and Mrs R's concern for each other, their child and her pregnancy. I also keep in mind that she was distressed and unwell. I don't doubt that some of such distress and inconvenience was caused by shortcomings in dealing with the claim.

Overall I agree with the investigator that £300.00 is fair and reasonable compensation for this.

The energy group company says it has paid that amount. Mr and Mrs R haven't either disputed receipt of the first payment of £120.00 or confirmed the more recent payment of £180.00. So I will direct the insurance company to pay £300.00 insofar as the energy group company hasn't already paid it.

my final decision

For the reasons I've explained, my final decision is that I uphold this complaint. I direct AmTrust Europe Limited to pay Mr and Mrs R (jointly and insofar as the energy group company hasn't already paid it) £300.00 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs R to accept or reject my decision before 6 May 2020.

Christopher Gilbert
ombudsman