

complaint

Mr H has complained about the way Ageas Insurance Limited dealt with a claim he made on his home emergency policy.

All references to Ageas include its claims handlers.

background

I issued a provisional decision on this complaint in September this year. An extract from that decision follows:

“Mr H made a claim to Ageas because his boiler had been leaking. Because the boiler was on the floor the water was leaking onto the tiles in his porch. He said he stopped the water supply before an engineer attended to fix the boiler, to stop any further damage.

The engineer attended and appeared to stop the leak. Mr H said Ageas called him before he got a chance to inspect the work and said the work had been completed. So he agreed for it to close the claim. Mr H had paid Ageas around £56 for the engineer to attend because his policy limit per claim had been exceeded. Mr H said he later found out from someone who was there when the engineer attended, that the engineer turned the water supply back on before he stopped the leak and flooded his porch. This damaged the tiles and skirting boards. He also caused the fuse in the circuit board to blow and spent most of the time drying the circuit box with a hair dryer and looking to buy a new fuse.

Mr H said the boiler continued to leak so he called Ageas again. Ageas said it set up a new claim as the other one had been closed. The engineer who attended said he had to replace different parts to the ones replaced during the first visit, so this was a new claim. The leak continued so an engineer had to go back to Mr H’s property a few more times. According to Ageas, each time different parts had to be changed.

During one of the subsequent visits the engineer suggested that the system needed to be powerflushed but Mr H said he couldn’t do this because the boiler wasn’t watertight. The engineer also suggested that the boiler might be more than ten years old which meant it wasn’t covered under the policy. Ageas said after the fourth visit, it sent a new contractor because it could no longer get in touch with the original one and it was also unhappy with his work. The second engineer also said the boiler seemed older than ten years.

Ageas said it got in touch with the manufacturer who said the boiler would’ve been manufactured between 1995 and 2002 and could’ve been installed in 2005- 2006 but wasn’t registered with it. Mr H said he didn’t buy the property until 2002 so the boiler couldn’t have been installed before then. And the porch the boiler is on was built in 2004/2005 and the boiler was installed a considerable amount of time after that date. Mr H said as he wasn’t able to prove when the boiler was installed he paid £2,000 for a new one.

Ageas turned the claim down after six visits from its engineers because of the boiler’s age. It offered to refund Mr H some of the payments he’d made but not the original £56.

Mr H complained to us. He said the damage to his porch is covered under his home insurance but his excess is £1000 so he wants Ageas to pay this. He also said he wants the initial £56 refunded to him, £500 for the trouble and upset he suffered, and the full amount or at least a contribution towards the cost of a new boiler.

Our adjudicator upheld the complaint in part. He said Ageas should pay Mr H the initial £56 he paid for the engineer and £500 compensation. He didn't think Ageas should pay the £1,000 excess because the original leak wasn't down to its engineer or that Ageas should pay for the boiler. Neither party agreed. They asked for an ombudsman's decision.

my provisional findings

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

the damage to the porch

Mr H said he stopped the water supply as soon as possible to stop any further damage but when the first engineer attended he switched it back on and flooded the porch. Mr H said the engineer's actions caused damage to the tiles and the skirting board which needs to be repaired.

Mr H said he hasn't claimed under his home insurance yet so he hasn't paid the excess. He has done some temporary repairs until more permanent ones can be done. As Mr H hasn't paid the excess, this isn't something I can ask Ageas to pay.

Mr H said Ageas should get his property in the condition it was in before its engineer flooded the porch. But Mr H said the boiler was on the floor and the leak had already caused some damage though not as much as the damage caused by the engineer. I haven't seen any evidence which shows what the damage was before the engineer attended and what it looked like afterwards so it's difficult for me to say that what he did caused further damage. So without any such evidence, I don't think I can ask Ageas to pay for the damage to Mr H's floor.

the new boiler

After the engineer's sixth visit, Ageas said the boiler was over ten years old so it stopped offering cover. But as far as I'm aware Ageas never got any proof about the age of the boiler. The manufacturer said it could've been installed as late as 2006 so it could've be ten years old at the time. And if that was the case, I think it would've been covered by the policy because the policy doesn't cover boilers which are over ten years old. Bearing this in mind and also the fact that Ageas had already started to deal with the claim I think the fair and reasonable thing for Ageas to have done would've been to continue to offer cover subject to the remaining terms and conditions of the policy.

Ageas has confirmed Mr H still had £392 left before he reached his yearly policy limit. Because I think Ageas should've offered cover up to the policy limit I think it must now pay Mr H £392.

Mr H decided to buy a new boiler instead of repairing his old one. I can't see that his policy would've provided cover for a new boiler. So, in the circumstances, I won't be asking Ageas to pay for the cost of the new boiler or contribute towards it.

distress and inconvenience

Mr H said the claim lasted around six weeks taken from the date he reported the leak. Ageas said it was only four. Even if it did last four weeks this was still a considerable amount of time during which Ageas's engineers continuously failed to stop the leak. And the leak didn't stop until Mr H decided to replace the boiler. This was very distressing for Mr H especially because it was damaging his property. And the property would've also been without heating and hot water intermittently until the boiler got replaced. This was no doubt made worse by Ageas then saying the boiler was too old to be covered without having enough evidence to prove this. Mr H also said he had to go to the trouble of calling Ageas on a number of occasions, sometimes from abroad in order to deal with the leak. And he's had to complain to Ageas and then to us. I think Ageas should compensate Mr H for the trouble and upset it caused him and pay him £400.

my provisional decision

For the reasons above I'm considering partly upholding Mr H's complaint against Ageas Insurance Limited. I propose Ageas Insurance Limited must pay Mr H:

- *£56.58 which was the payment Mr H made for the engineer's first visit, plus interest from the date Mr H made the payment to the date Ageas makes payment, at the simple rate of 8% per year*.*
- *£400 for the distress and inconvenience it caused him.*
- *£392 which is what he was still entitled to under the policy limit."*

developments and findings

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

Both parties have responded to my provisional decision. Ageas didn't wish to add anything. Mr H said he didn't take any photographs of the original leak because there wasn't a great deal of water. But he provided photographs which he says show the engineer's poor workmanship and also a video showing what the floor looked like after, he says, it was flooded by Ageas's engineer. He said the damage got worse and worse due to the negligent work done by Ageas's engineer.

As I said in my provisional decision, without any evidence to show what the floor looked like before Ageas's engineer got involved, it's difficult for me to say that what he did caused further damage. So, I see no reason to change any of the findings I made in my provisional decision.

my final decision

For the reasons above I'm partly upholding Mr H's complaint against Ageas Insurance Limited. Ageas Insurance Limited must pay Mr H:

- £56.58 which was the payment Mr H made for the engineer's first visit, plus interest from the date Mr H made the payment to the date Ageas makes payment, at the simple rate of 8% per year*.
- £400 for the distress and inconvenience it caused him.
- £392 which is what he was still entitled to under the policy limit.

Ageas must pay the above within 28 days of the date which we tell it Mr H accepts my final decision. If it pays later than this it must also pay interest on the compensation under the second and third bullet points from the date of my final decision until the date of payment at 8% per year simple*.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 7 November 2016.

Anastasia Serdari
ombudsman

*If Ageas Insurance Limited considers that it's required by HM Revenue & Customs to take off income tax from that interest, it should tell Mr H how much it's taken off. It should also give Mr H a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.