

complaint

Mrs D's complaint related to three claims, in November 2012, April 2013 and December 2013.

In November 2012, she reported that her boiler was not working and says that she was left without heating and hot water for several days waiting for the repair to be completed.

In April 2013, Mrs D reported low boiler pressure and no heating/hot water. The attending engineer said that it was due to an installation fault. The boiler was then switched off. Mrs D was not apparently covered for these repairs, however Amtrust liaised with the manufacturer to complete the repairs.

On 17 December 2013, Mrs D called Amtrust as her boiler was making noises, she also was again without heating and hot water for some time.

During the telephone call in December 2013, Mrs D was asked various questions about the boiler and to carry out some tests to try and find out what was wrong. She was not able to do the tests herself and became upset during the call, in the end she told Amtrust's representative to "leave it" and she would get help elsewhere. Because she had not carried out the tests and had not continued with the call, Amtrust did not send out an engineer.

Mrs D was eventually able to ask a neighbour to carry out the tests and, as a result an Amtrust engineer attended two days later, on 19 December 2013, and found that a replacement pump was required. He returned on 23 December 2013 and completed a repair by replacing the pump.

Mrs D is unhappy with the way her claims were handled and the time taken to complete the repairs. The adjudicator did not consider that we could make any recommendation in relation to the events in April 2013, as that event did not seem to have been covered by the policy. In relation to the second claim in December 2013, he recommended that Amtrust should pay the sum of £200 compensation for the way the claim call was handled and for the time taken to complete the repair.

Amtrust does not agree – it says that Mrs D's claim had been handled appropriately, and no compensation was due. It also says that it would have to "*no option but to confirm to Mrs D that we will not be able to offer renewal terms. We would have to explain to Mrs D that FOS does not believe the policy terms are suitable to meet her needs even if she believes they are and that she wants to renew.*"

And indeed it informed her in November 2014 that it was not renewing her policy.

Mrs D has told the adjudicator that she would not want to renew her policy with Amtrust in any event.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Mrs D is over 80 years old. When she called to report that her boiler was not working – and to get the assistance that she reasonably expected under her policy – she was required to

answer questions about the boiler and carry out some diagnostic tests (termed by Amtrust as 'user adjustments').

This may not be unreasonable in principle, in order to rule out simple issues that may not require an engineer to attend, but it is clear from listening to the call that Mrs D was confused about the type of boiler she had and what she was being asked to do.

The representative told her that no one would be able to come out and look at her boiler unless she could check the pressure gauge. At this point, quite understandably in my opinion, Mrs D became distressed – it is audible on the recording of the call that she became breathless and in a state of panic. Having been told that no one was going to attend and unable to understand what it is she was required to do, Mrs D was clearly barely able to speak. She said, "I just don't understand it love, I'm sorry...just leave it love, okay" in a resigned way, and ends the call.

While I accept - as Amtrust says – that the representative was calm and was not abusive or rude in any way, what is apparent is that she was unprepared to adjust the normal procedure in view of Mrs D's circumstances. Mrs D had told the representative that she was without heating or hot water, in December; she had told the representative her age and that she was disabled and she became out of breath and panicky. Yet no allowance was made for this, and the representative did not call her back to assist her further.

The policy excludes cover for adjustments or resetting of controls and Amtrust says that it has always required consumers to go through a 'fault find' process on the telephone before an engineer can be sent out. Amtrust says it will not send an engineer until consumers have completed the 'user adjustments', which it has also described as homeowner 'maintenance' tasks.

Amtrust says that it has always been part of the insurance policy that this 'fault find' is part of the claim process - Mrs D has always been aware of this and confirmed her acceptance of that part of her insurance by renewing her policy.

I note that the copy of the insurance certificate dated as being effective from July 2013 says:

"How to make a claim ... When you call us to report a problem with your central heating system, we will always try and resolve the issue for you straight away by going through a simple fault finding process over the telephone, we will require your co-operation with this before we deploy an Authorised Contractor.

Previous copies, including that dated August 2012, do not appear to contain this wording.

While I do not consider this claims process to be inherently unfair in principle, insurers are expected to act fairly and reasonably in all aspects of its claims-handling; and to not unreasonably reject a claim. Therefore - whether or not it is in the policy document - I do not consider it will always be reasonable to insist on this process to deny cover to which the consumer is otherwise entitled.

Even if the problem with the boiler had been the water pressure – as suggested by Amtrust's representative - I am not convinced that topping up the water pressure would amount to 'resetting of controls' or normal homeowner maintenance, such as should be excluded from the policy. Most householders, in my opinion would not routinely refill their central heating system as part of their routine home maintenance. There is usually a reason why water pressure in a central heating system would drop and it would be appropriate to investigate

that and it is required to be carried out carefully. I do not therefore consider that it would be a reasonable interpretation of this policy term to exclude any claim that requires refilling/topping up the water pressure.

In my opinion therefore I do not consider it was reasonable to insist on Mrs D carrying out these tests – or for her to have to wait until she could get a neighbour to do them for her – before agreeing to assist her at all under the terms of her policy. This caused her considerable distress, which warrants an award of compensation.

Turning now to the time taken to deal with the claims, Amtrust says that the policy is not an emergency policy and therefore it aims to attend within two working days of a claim being made, which it did in both November 2012 and December 2013. It also says that (in respect of the December 2013 claim) the pump was replaced within a further two working days (although it was in total six days after the initial claim) and that this is reasonable.

I do not agree. The policy provides cover for the breakdown/failure of the central heating system. Amtrust may not consider that it offers emergency assistance but its policyholders – not unreasonably – expect assistance to be provided promptly, particularly if they are without heating and hot water in the middle of winter.

While Amtrust's stated service aim is to attend within two working days, that does not mean that this will always be reasonable. I would expect it to prioritise urgent cases, and in my opinion Mrs D's case should have been prioritised. However, even if I disregard the time taken to attend initially (and the November 2012 claim was resolved in the first attendance) I do not agree that it was reasonable to take a further four days to replace the pump, in December 2013.

Amtrust has not provided any evidence to show that the replacement pump was difficult to obtain. In the absence of such evidence, it seems to me that its engineer should have been able to obtain it from any local merchants either on the day he attended or the next day. And there is nothing on the policy which says that its engineers will not attend on weekends. Amtrust may prefer to only use parts from particular suppliers but if this causes delays such as in this case, then I do consider it reasonable for it to do so, if it leaves a vulnerable consumer without heating and hot water.

I consider that compensation is appropriate for the unnecessary distress caused to Mrs D when she first reported the claim and for the avoidable delay in repairing her boiler, in December 2013. In my opinion, the £200 recommended by the adjudicator should be increased to £450, given Mrs D's particular circumstances.

my final decision

I uphold this complaint against Amtrust International Underwriters Ltd and require it to pay the sum of £450 compensation to Mrs D for the distress and inconvenience caused to her by its handling of her claim.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs D to accept or reject my decision before 27 February 2015.

Harriet McCarthy
ombudsman