

complaint

Mr I complains that International Insurance Company of Hannover S.E. is responsible for mishandling his claim in connection with his home emergency insurance policy.

background

The Financial Ombudsman Service usually deals with a complaint about an insurance claim as a complaint against the insurance company. We name that insurance company but we don't name other companies.

So I will say that - although Mr I had a policy in the name of an insurance intermediary – the insurance company responsible for dealing with claims was International Insurance Company of Hannover S.E. ("the insurer"). Where I refer to the insurer I include the intermediary, engineers and others for whose actions I hold the insurer responsible.

Mr I called for help with his central heating boiler. After a number of visits the insurer said the boiler was beyond economic repair ("BER").

Mr I complained that another company was able to fix his boiler – so the insurer should've done so.

our investigator's opinion

Our investigator didn't recommend that the complaint should be upheld. He dealt with the complaint as a complaint against the intermediary. He thought that it had acted fairly in its decision making.

my provisional decision

After considering all the evidence, I issued a provisional decision on this complaint to Mr I and to the insurer on 1 October 2019. I summarise my findings:

Mr I had sent us a quote and a receipt from a provider of gas, central heating repairs and insurance. Those documents aren't in Mr I's name. Like some of the emails I'd seen, they are in another name. Mr I hadn't explained the use of the other name.

The documents show that the central heating repair company quoted and charged about £555.00 for replacing a flue collector and plate heat exchanger. As it made a charge, I didn't think the cost of the repair was covered by a new policy of insurance.

In any event, I found it likely that £555.00 was more than the value of Mr I's boiler. So I didn't think the documents show the insurer had been wrong to say the boiler was BER on 10 January 2018. I found it likely that it had been BER. So the insurer didn't have to repair it.

Overall I wasn't minded to find that the insurer treated Mr I unfairly. So I wasn't minded to find it fair and reasonable to direct the insurer to pay him any refund or compensation.

Subject to any further information from Mr I or from the insurer, my provisional decision was that I wasn't minded to uphold this complaint. I didn't intend to direct International Insurance Company of Hannover S.E. to do anything further in response to this complaint.

Mr I hasn't responded to the provisional decision.

The insurer hasn't responded to the provisional decision.

So I see no reason to change my view.

my findings

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

The insurer has said that Mr I's boiler was more than fifteen years old. He hasn't disagreed with that. So I find that his boiler was an old one with limited monetary value.

On 3 November 2017 Mr I took out a home emergency policy. It covered emergencies relating to his central heating boiler, electricity, gas, plumbing, windows, keys, roof and pest infestation.

The premium was about £91.25 for a year. Mr I paid it in full – rather than agreeing to pay by instalments.

The policy covered the total failure of the main source of heating. So I don't think it covered an intermittent fault with the boiler not providing hot water.

In the event of a total failure of the main source of heating, the policy provided that the insurer would do an emergency repair. That was defined to mean a temporary repair to resolve the immediate emergency or – if it was no more expensive – a permanent repair.

The policy excluded the cost of, or contribution towards, replacing the main source of heating if it was BER. BER was defined as follows:

'The point where the authorised repairer decides the cost of repairing your main source of heating (including labour and parts) is more than its value. This will take into account its age, make and model.'

Mr I hasn't provided a detailed timeline. So I accept the timeline provided by the insurer.

On 10 November 2017 Mr I called for help and the insurer visited. It thought he might need a new heat exchanger and pump.

On 15 November 2017 the insurer visited with those new parts. But it was able to repair the boiler by cleaning the old heat exchanger and pump. Mr I had concerns that this was only a temporary repair. But I'm satisfied that a temporary repair was enough to fulfil the policy terms.

On 20 November 2017 the insurer visited again. But the insurer found the hot water was working.

There followed a period of about six weeks without a call-out.

On 4 January 2018 the insurer said the boiler needed a new expansion vessel.

On 10 January 2018 the insurer said the boiler was BER.

On 17 January 2018 the insurer got a second opinion that the boiler was BER.

Mr I has sent us a quote and a receipt from a provider of gas, central heating repairs and insurance. Those documents aren't in Mr I's name. Like some of the emails I've seen, they are in another name. Mr I hasn't explained the use of the other name.

The documents show that the central heating repair company quoted and charged about £555.00 for replacing a flue collector and plate heat exchanger. As it made a charge, I don't think the cost of the repair was covered by a new policy of insurance.

In any event, I find it likely that £555.00 was more than the value of Mr I's boiler. So I don't think the documents show the insurer had been wrong to say the boiler was BER on 10 January 2018. I find it likely that it had been BER. So the insurer didn't have to repair it.

Overall I don't find that the insurer treated Mr I unfairly. So I don't find it fair and reasonable to direct the insurer to pay him any refund or compensation.

my final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct International Insurance Company of Hannover S.E. to do anything further in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 29 November 2019.

Christopher Gilbert
ombudsman