

complaint

Mrs R complains about how Acromas Insurance Company Limited dealt with a claim she made for a faulty boiler on her insurance.

background

Mrs R has various insurance policies protecting her home arranged through her bank. One of them is cover for her boiler and central heating system. The policy is administered by another company, which Mrs R has dealt with throughout. But the insurer, Acromas, is ultimately responsible for claims made – including the actions of the other company – and so that's why this decision is about Acromas. When I refer to Acromas in this decision, I include the administrator.

In early 2017 Mrs R contacted Acromas. She said her boiler wasn't working and she and her family had no hot water. An engineer visited and said there was a fault with the boiler. He said a new cylinder was needed – which wasn't covered by the policy. Mrs R couldn't afford to replace the boiler immediately so saved up some funds. A couple of months later she got some quotes. One of the plumbers who visited to quote checked the boiler, identified that the thermostat was turned down and turned it back up again. He said there was nothing wrong with the boiler.

Mrs R complained. She said she and her family thought the boiler wasn't working and hadn't been able to use it. They had to use an immersion heater for hot water – which was much more expensive. She said she hadn't got the service she'd paid for. And she said her plumber had told her that the temperature in the boiler was so low she and her family were at risk of legionnaire's disease.

Acromas accepted it hadn't handled the claim well. It refunded the £50 excess Mrs R had been charged when the engineer attended. And it offered £100 compensation for her trouble and upset, plus £50 as a contribution towards the increased electricity bills caused by using an immersion heater. Mrs R wasn't happy with that offer.

Acromas said it would look at the costs again if Mrs R would give it a copy of her electricity bill so it could see how much extra she'd had to spend. But Mrs R wasn't willing to do that. Instead she complained to the Financial Ombudsman Service. Our investigator thought Acromas had done enough to put things right, and so Mrs R asked for an ombudsman to look at her complaint.

my findings

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

I'm sorry to hear of the trouble Mrs R was put to. Acromas has accepted that it didn't handle her claim well enough, so what's left for me to decide is whether I think it's done enough to put matters right.

I agree it should refund the £50 excess. Mrs R shouldn't have to contribute to the cost of a service visit that didn't put the problem right.

I also think £100 compensation for Mrs R's trouble and upset is fair in the circumstances. While she couldn't use her boiler she wasn't without hot water as she also had an immersion heater. She says the family took showers rather than baths to save costs and she had to spend some time resolving the issue. I agree that she was caused inconvenience as a result.

Mrs R says she was told she could have caught legionnaire's disease. But I don't have any evidence to show that was a significant risk. Thankfully none of the family actually were unwell. And the plumber only told Mrs R he thought it was a risk *after* the problem was fixed – so she wasn't worrying about it at the time.

I do think it's right that Acromas also pays Mrs R the increased costs of using her immersion heater rather than her boiler. The difficulty here is that she hasn't given copies of her utility bills to Acromas or to the investigator – even though both have asked her to. Without that it's not possible to see what the increase in costs actually was. An immersion heater is more expensive than a boiler, but Mrs R says she was trying to keep costs down, and the problem went on for three months. In the circumstances, and in the absence of evidence to the contrary, I think Acromas' offer of £50 compensation for the increased costs is reasonable.

my final decision

For the reasons I've given, my final decision is that I think it's fair and reasonable for Acromas Insurance Company Limited to pay Mrs R £200 and, to the extent it hasn't already, it should do so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 1 December 2017.

Simon Pugh
ombudsman