

complaint

Ms T complains that Inter Partner Assistance SA (or its agents) took premiums for an insurance policy for her boiler – but later said it could not repair it because it was obsolete.

background

A manufacturer made Ms T's boiler in about 2001. In 2010 a home services company sold her an insurance policy for it. IPA was the underwriter of the policy. In November 2013 Ms T called for help with a boiler problem. She complained when the home services company said it could not source one of the parts to repair it.

The adjudicator did not recommend that the complaint should be upheld. She concluded that the £80 compensation paid by IPA was fair.

Ms T disagrees with the adjudicator's opinion. She says that the manufacturer stopped making boilers like hers in about 2002 and parts became unavailable in about 2009. So – from the start - the policy was unsuitable for her and impossible to fulfil, she says. She has spent over £1,000 on repairs and a similar sum on a new boiler – leaving her family in financial difficulty and making her health issues worse, Ms T adds.

my findings

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

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

I accept that boiler manufacturers usually supply spare parts for ten years after they stop making a model. And manufacturers' spare parts then become increasingly difficult to find. Many boiler insurance policies contain clauses which provide what will then happen.

In Ms T's case the policy contained a term as follows:

“Obsolete Parts - We use reputable suppliers who stock the usual parts required to fix most boilers. However if, when attempting to fix your boiler we find that the relevant manufacturer's spare parts are not readily available after a reasonable search of our stockists or that parts may be available but will take longer than 28 days to source, we will not be able to complete your repair. In this event we will deem that we can no longer offer you boiler breakdown cover. Your policy will be cancelled and your premium will be refunded in accordance with the procedure outlined in section A, under the heading 'How can my policy be cancelled?’”

I do not consider that this term is inherently unfair.

And I note that – when Ms T called for help in 2011- the home services company was able to supply a replacement part. I do not consider that IPA or its agents ought reasonably to have known – or told Ms T before the boiler went wrong in 2013 – that some parts were no longer available to its engineers.

The home services company told Ms T that her boiler needed two new parts. It later said the boiler had been obsolete since January 2010. It said that - since about September 2013 - it could not source one of the parts. I do not consider that IPA or its agents were obliged to track down parts in the way Ms T said her local engineer was able to do.

Ms T has provided copies of her engineer's invoices for various repairs in 2013 and 2014. But – bearing in mind the terms of the policy - I am not persuaded that it would be fair and reasonable to order IPA to reimburse her for those invoices - or for the cost of later replacing the boiler.

IPA cancelled the policy and refunded two instalments of premium paid for the period after mid-November 2013.

I accept that Ms T had the benefit of cover (in line with the policy terms) after renewal in November 2011 and 2012. Therefore I consider that IPA's refund is fair.

I find that IPA or its agents ought to have dealt with Ms T's complaint more promptly and courteously than they did. But I consider that the payment of £80 compensation is fair and reasonable for the distress and inconvenience this caused.

Overall I do not conclude that it would be fair and reasonable to order IPA to pay any further redress to Ms T.

my final decision

For the reasons I have explained, my final decision is that I do not uphold this complaint. I make no award against Inter Partner Assistance SA.

Under the rules of the Financial Ombudsman Service, I am required to ask Ms T to let me know whether she accepts or rejects my decision before 9 February 2015.

Christopher Gilbert
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