

complaint

Mr K complained that Acromas Insurance Company Limited (Acromas) rejected his claim for a damaged boiler on his boiler and central heating policy.

background

Mr K had boiler and central heating cover through his packaged bank account. This was underwritten by Acromas. His boiler had a fault that left it unsafe to use, and Mr K with no heating. An engineer came to inspect the boiler and said it needed replacing. The engineer said in their report that the boiler was damaged by corrosion. Acromas rejected the claim under his policy because damage by corrosion was not covered under the policy terms.

Mr K said he'd spoken to another engineer who said it was wear and tear so he felt the claim should be accepted. But Acromas explained that wear and tear was also not covered under the policy. Mr K came to this service and Acromas allowed us to consider the complaint under early consent. Our investigator agreed that he wasn't covered whether the damage was caused by corrosion or wear and tear. Mr K asked for a final decision to be made on his 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 not upholding Mr K's complaint and I'll explain why.

I've seen an expert report which says that the damage to the boiler was caused by corrosion. Having reviewed the terms and conditions it is clear that corrosion isn't covered, and Mr K hasn't disputed this. This is in the key facts section so I'm satisfied this is suitably prominent for policy holders such as Mr K to be aware of this. As such, I think it was reasonable for Acromas to reject this claim.

Mr K wasn't happy he was told wear and tear wasn't covered and said this meant he didn't ask his engineer for a report. He felt this meant he didn't have the chance to provide evidence that the damage was caused by wear and tear rather than corrosion in the form of an expert report. So whilst I'm satisfied that Acromas were entitled to reject the claim on the basis of corrosion not being covered, to answer Mr K's complaint fully I also want to be clear that I'm satisfied Acromas would be entitled to reject the claim if the cause had been proven to be wear and tear. I'll explain why I think this is the case.

The terms and conditions explain the policy provides cover where *"a failure of the boiler, controls or central heating system results in partial, intermittent or complete failure to provide heating and/or hot water to your home."* It then goes on to define what complete failure means as *"A sudden and unexpected problem with your boiler or your main heating system that results in no hot water and/or heating"*. There's no clear evidence to support exactly what 'wear and tear' damage may've taken place. So I've thought about the meaning of the words; 'wear and tear' implies natural and inevitable wear or ageing, which doesn't meet the policy requirement for damage to be 'sudden and unexpected'. As such, I think it was fair and reasonable for Acromas to reject Mr K's claim even if he'd been able to show it was caused by wear and tear, rather than corrosion.

my final decision

My decision is that I don't uphold this complaint as it was fair and reasonable for Acronmas to reject Mr K's claim in line with the policy terms and conditions.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 5 August 2018.

Katherine Jones
ombudsman