

complaint

Mrs T complains that Acromas Insurance Company Limited incorrectly deemed her boiler as beyond economic repair and that she believes that this will prevent her from obtaining insurance in the future.

background

Mrs T contacted Acromas on 5 November 2012 as there was a leak coming from her boiler which only stopped when the boiler was switched off.

Acromas arranged for an engineer to attend the same day and identified that several parts needed to be replaced.

Acromas contacted Mrs T on 9 November 2012 and said that her boiler had been deemed as beyond economic repair as the cost to repair the boiler was more than its value.

Mrs T disputed the diagnosis and arranged for a private engineer to attend. The private engineer diagnosed a different fault and repaired the boiler at a cost of £70.

Mrs T complained to Acromas about the incorrect diagnosis and requested the reimbursement of the repair costs and compensation.

Acromas apologised for the incorrect diagnosis and agreed to reimburse the costs of the private engineer. It also agreed to refund £119.90 of premiums and pay £50 in recognition of the distress and inconvenience caused.

Our adjudicator considered the business had acted reasonably by agreeing to reimburse the cost of the private repairs and considered the total amount paid under the refund and compensation was reasonable.

Mrs T did not agree with our adjudicator as she did not believe that the refund of premiums should be considered as part of the compensation.

my findings

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

As I understand it, Acromas has accepted that its engineer incorrectly diagnosed the necessary repairs to Mrs T's boiler and has consequently reimbursed the cost of the private repairs she arranged. When our service considered that there has been an error on the business' part, we look to have the consumer put back in to the position they should have been in had the error not occurred.

As Acromas has accepted its error and reimbursed the cost of the private repairs, I am satisfied that Mrs T has been put back in to the position that she would have been in had the error not occurred.

Mrs T has also raised concerns that due to the diagnosis made by Acromas, she would be unable to get cover for the boiler from other providers. A diagnosis of beyond economic repair means that the cost to repair the boiler is more than the value of the boiler. However

this does not have the same meaning as other types of insurance such as car insurance and details of boilers are not shared amongst insurance companies.

Whether a new insurer would choose to provide cover would be up to the insurer and many carry out a first visit to determine if they are able to provide cover. Therefore, I am satisfied that Acromas' incorrect diagnosis should not have any effect on Mrs T's ability to take out cover with a different provide. Furthermore, Acromas has acknowledged that its diagnosis was incorrect

I understand that Mrs T believes that due to Acromas' error it should reimburse the premiums that she paid and provide compensation for the error. Our service would not generally recommend a refund of premiums in addition to compensation where an error has occurred during a claim. However, we would consider a global award of compensation to reflect any distress and inconvenience caused by the error.

In this case, Acromas had paid a total of £169.90 to Mrs T as compensation which is made up of £119.90 refunded premiums and a £50 cheque. Whilst I am not unsympathetic to the distress and inconvenience the error would have caused Mrs T, I do consider this to be sufficient. In most cases where we make such awards the amount is between £100 and £200, and we really only award higher figures for long term or particularly distressing incidents. Certainly some award is due here, but nothing about the case inclines me to a higher award than what Acromas has paid.

my final decision

My final decision is that I do not uphold this complaint and I make no further award against Acromas Insurance Company Limited.

Christopher Tilson
ombudsman