

complaint

Mr L complains that Inter Partner Assistance SA (“IPA”) has rejected his claim for a contribution towards the cost of a new boiler.

background

Mr L’s boiler broke down leaving him without heating or hot water. He tried to get it fixed under his home emergency insurance policy with IPA. Its engineer inspected the boiler and considered that because of its age (he thought it was 13 – 15 years old), an emergency repair wouldn’t have been successful and a permanent repair would’ve cost considerably more, and Mr L wouldn’t have been covered. A number of parts were needed and he thought it would be a four hour job.

Mr L got a report from another engineer who said that the job could be done for around £400. IPA told Mr L that it would reconsider his claim if he provided his engineer’s report and a copy of his invoice. Mr L hasn’t provided any written evidence of this quotation. He’s since bought a new boiler. He says he had cover up to £1,000 under his policy and wants IPA to make a contribution to the cost of his new boiler. IPA has declined to do so.

Our adjudicator didn’t consider that IPA had acted unfairly towards Mr L, but Mr L doesn’t agree with this conclusion and has asked that his complaint be considered by an ombudsman.

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 going to uphold Mr L’s complaint and I’ll give my reasons.

I’ve looked carefully at Mr L’s home emergency policy. He says he has “Gold” cover, which provides some additional cover to “Standard” cover, and includes cover of up to £1,500 for certain risks. But these risks don’t include the breakdown of boilers. This risk is covered under the “Standard” cover (Heating System) where the limit of liability is £500 (including VAT). So that’s the maximum cover that he has for boiler repairs.

I have to consider whether Mr L has been treated unfairly by IPA. A workable repair could not be done within his policy limits. That left him with the option of either finding another engineer to do the repair more cheaply, or of replacing his boiler. He said he did find another engineer who would do the repair, and IPA offered to reconsider his claim if Mr L could provide this engineer’s report and his invoice. So Mr L might’ve been able to have had his boiler repaired under his policy if the total cost didn’t exceed £500 including VAT. But Mr L chose to replace his boiler instead.

I can understand why Mr L may think he’s been treated unfairly. His decision to replace his boiler has saved IPA the cost of meeting his claim for a repair. But I have to consider what Mr L’s policy is for. It’s a home emergency policy intended to cover the cost of emergency repairs, either temporary, or permanent if the cost of a permanent repair is similar. If a temporary repair wouldn’t work, and a permanent repair would’ve exceeded his policy limit, I don’t think IPA is acting unreasonably in not undertaking the repair. I think its offer to reconsider his claim if he could evidence that a cheaper repair could be achieved was fair and reasonable. But I think it would be unreasonable to require IPA to contribute towards the

cost of a new boiler. Were that to be the case, a policyholder could argue at any time that a new boiler might save the cost of a repair in the future, and get a contribution towards its cost.

So I don't think it would be reasonable for me to require IPA to make a contribution to the cost of Mr L's new boiler.

my final decision

For the reasons given above, I'm not going to uphold Mr L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 15 August 2016.

Nigel Bremner
ombudsman