

## **complaint**

Mr A complains that Ageas Insurance Limited gave him poor service under his home emergency insurance.

## **background**

As an add-on to his home insurance, Mr A had free home emergency insurance branded with the name of a claims-handling company. The policy only covered boilers up to 15 years old. Ageas was the insurer ultimately responsible for dealing with claims. References to Ageas or the insurer include its claims-handlers and others for whose actions Ageas is responsible.

In November 2017 Mr A's central heating stopped working. So he called his home emergency insurer for help. He complained that - as his insurer wouldn't help him- he had to pay another engineer to repair the boiler.

Our adjudicator recommended that the complaint should be upheld. He thought that it was unfair for the business to ask the consumer for an upfront payment in order to reserve its contractor's initial call-out charge. He said the insurer should've sent an engineer to establish the age of the boiler. The adjudicator recommended that the insurer should:

1. reimburse Mr A the repair cost on receipt of an invoice and engineer's report, providing that the repair would have been acceptable under the policy terms;
2. pay Mr A £80.00 for the trouble and upset caused.

Ageas disagreed with the adjudicator's opinion. It asks for an ombudsman to review this complaint. It says, in summary, that it acted appropriately and in line with policy cover

## **my findings**

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

The policy documents included the following definition of an emergency:

### ***“Emergency***

*A sudden and unforeseen situation which if not dealt with quickly would result in damage that would otherwise be unstoppable and:-*

- i. render the property unsafe or insecure; or*
- ii. damage or cause further damage to the property; or*
- iii. cause excessive discomfort, risk or difficulties for or to you.”*

The policy documents also contained the following term:

*“Where it is not possible to validate Your claim at the time of initial notification, You may be required to leave either credit or debit card details which may be debited in the event that the cost of the call-out and any subsequent repairs are not covered by this insurance.”*

When Mr A first rang on 22 November, he said he didn't know how old his boiler was. So the insurer said it would only help him if it "reserved" funds for the charge for the call-out and the first hour. I think this meant that Mr A would have to give card details so that the insurer could charge his card if it turned out that his boiler was too old.

I think that was in line with the policy documents and I don't find it unfair. Mr A did not go ahead on that basis.

Mr A has told us that he contacted a local heating engineer. He has also told us that he checked the boiler's serial number and a website which said it was 9 years old.

On 30 November 2017 Mr A rang the insurer again. He said he still had no heating. He said his boiler was less than 15 years old. But the insurer declined to help, saying that the claim no longer met the definition of an emergency.

I accept that the policy definition of an emergency requires both a risk of unstoppable damage and a risk of, for example, discomfort or difficulties. But I don't find it fair and reasonable for the insurer to rely on that definition to say that Mr A did not have an emergency.

And I don't think that the insurer treated Mr A fairly by saying that on 30 November he no longer had an emergency because he hadn't got his boiler fixed in the eight days since his first call.

Mr A had told us that his engineer attended twice. He advised it was a pressure diverter valve that needed to be changed. He also had to adjust the air pressure switch. Mr A has told us that he paid the engineer £280.00. But he has not yet provided a copy of any report, invoice or proof of payment.

From what Mr A has said, I find it likely that the insurer should've covered the cost of such repairs. So I think that the insurer's unfair stance caused Mr A the cost and trouble of arranging his own repair.

I find it fair and reasonable to order that, provided that Mr A sends Ageas his engineer's report and invoice for £280.00, Ageas shall reimburse him and add interest at our usual rate.

And as I think that – by its unfair handling – Ageas caused Mr A distress and inconvenience, I will order it to pay him £100.00 compensation.

### **my final decision**

For the reasons I've explained, my final decision is that I uphold this complaint. I order Ageas Insurance Limited to:

1. pay Mr A £100.00 for distress and inconvenience;
2. provided that Mr A sends Ageas his engineer's report and invoice for £280.00:
  - 2.1 reimburse Mr A the amount of that invoice;
  - 2.2 pay Mr A simple interest on that amount at a yearly rate of 8% from 22 November 2017 to the date it reimburses him. If Ageas considers that it's required by HM

Revenue & Customs to withhold income tax from that interest, it should tell Mr A how much it's taken off. It should also give Mr A a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 18 June 2018.

Christopher Gilbert  
**ombudsman**