

complaint

Mr B complains that U K Insurance Limited (“UKI”) rejected a claim on his home emergency insurance.

background

Mr B arranged an annual service for his boiler. The engineer who did this told him the boiler was giving out too much carbon monoxide, which meant it couldn’t be used, as it wasn’t safe. He was told to get a new boiler.

When Mr B made a claim on his policy, UKI refused to pay for the new boiler. It said the policy provided cover where there was a breakdown. Although there was an issue with Mr B’s boiler, it hadn’t broken down, so he wasn’t covered.

Mr B complained but UKI wouldn’t change its decision. When our adjudicator considered the complaint, he said there was cover for a breakdown. But UKI had instructed an engineer to review his claim and the engineer said the boiler hadn’t broken down. It was reasonable for UKI to refuse the claim on that basis.

Mr B disagrees and has requested an ombudsman review. He says the boiler had to be switched off because of the carbon monoxide emissions. That means the boiler can’t be used, so it has broken down. He also complains that UKI gave him misleading information about what it would cover, both when he bought the policy, and when he phoned to make the claim.

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 terms say there’s cover for a breakdown. This is defined as where something has broken, which means the boiler suddenly stops working, and has to be repaired or replaced. I think the definition is clear. It doesn’t cover wear and tear or a gradual problem. So Mr B was covered if his boiler suddenly broke down. I don’t think that’s what happened here. The boiler was emitting carbon monoxide, indicating that there was a problem with the boiler - it wasn’t working within safe limits. But it hadn’t broken down.

Mr B says that when he took out the policy, he wasn’t asked how old the boiler was. The age of the boiler isn’t something UKI considers when assessing this type of claim. The claim is based on whether the boiler has broken down. For the reasons given, I don’t think it had broken down, as defined in the policy.

He also says that when he called UKI to make the claim, he was told the claim would be paid (except for an excess of £200). I’ve listened to a recording of that conversation. The call handler says Mr B should get the boiler replaced and provide receipts, and details of the fault in the old boiler. The claim will then be assessed by an engineer; if it’s classed as a breakdown, and the engineer confirms that everything’s in order, the claim will be paid.

I think it was clear that the claim would have to be assessed and would be paid if it was considered to meet the policy terms. I don’t think UKI misled Mr B about how his claim would be dealt with, or told him that it would definitely be paid.

my final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 18 April 2016.

Peter Whiteley
ombudsman