

complaint

Mr K is unhappy with the handling of two claims he made under his home emergency policy with UK Insurance Limited.

All references to UK Insurance Limited include the agents it appointed to handle the claims on its behalf.

background

In late 2014, Mr K reported that his boiler wasn't working. UK Insurance's engineer said the digital timer needed changing and that he could supply and fit it but wouldn't be able to set the timer as he didn't know how to. This meant that the boiler was running constantly, so Mr K's gas bills were higher than usual

The engineer had also diagnosed that there was a leak in the boiler. However, he failed to turn up when scheduled to repair this. Another appointment was arranged but the engineer was later than arranged, and brought the wrong part with him so had to order the correct part and planned to return again. However, in the meantime, Mr K was told that the part was obsolete and as his boiler was more than 10 years old, it wasn't covered under the policy at all. He was told he'd have to replace the boiler at a cost of around £2,000.

Mr K complained and UK Insurance agreed for him to appoint a private contractor to set the digital timer for £35 and he also repaired the leak from the boiler isolation valve. Mr K was charged £290 for this work, which was reimbursed by UK Insurance but it hasn't reimbursed the cost of setting the timer.

After the repair, the boiler pressure was dropping such that he needed to top it up five or six times a day. Mr K's contractor checked the boiler again. He thought there was a further leak from a crack in one of the underground pipes running into the house. He located the leak, replaced the damaged pipe, re-concreted the floor and re-fitted the carpet. This cost Mr K £675.00.

Shortly after this, Mr K reported that the lights in his kitchen had stopped working. Two days later, an electrician attended and completed a temporary repair but this didn't last. Two more electricians came out and diagnosed that the kitchen lighting needed re-wiring and that this wouldn't be covered under the policy. Mr K got his own contractor to look at the wiring and he was able to diagnose that fault and do the work. UK Insurance agreed the work was covered and that it would reimburse the cost of this, £570. However, it later insisted on the invoice being on letter headed paper, even though the invoice was from the same contractor who'd done the work on the boiler and it had accepted the format of his invoices.

After the complaint came to us, UK Insurance agreed that it should pay the electrical bill and I'm pleased to note it has now done so. It has also paid Mr K an additional total of £250 as compensation for the trouble and inconvenience caused to him by its handling of his claims.

However, it doesn't think it's responsible for the cost of repairing the leaking pipe.

One of our adjudicators looked into the case. He recommended that the complaint should be upheld and that UK Insurance should pay the invoice of £35.00 for reprogramming the timer and the £675.00 paid for repairing the cracked pipe, together with interest.

UK Insurance didn't agree. It says that the home emergency policy covers the cost of repairing the leaking pipe only and not finding and accessing the leak, which would normally be covered by the buildings insurance. It offered to make the buildings claim on his behalf but confirmed he'd have to pay an excess.

my findings

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

UK Insurance has said the leak in the pipe wasn't an emergency and therefore not covered by the policy. The policy says that a home emergency is an event which, if not repaired quickly, will cause damage to the home and/or result in the loss of heating. The leak would inevitably be causing damage to the home (albeit it appears to have been a relatively slow leak) but also Mr K had to top up the boiler pressure five/six times a day. In my opinion, this effectively meant that the heating had failed.

The policy covers internal drainage and plumbing and I do therefore think this is covered. It provides for the costs necessary and there is no exclusion that I can see, for the cost of tracing or accessing any leaking pipework. The policy does specifically exclude the cost of putting right driveways and paths after repairs to external drainage but no such exclusion appears in relation to internal plumbing repairs

I therefore consider that UK Insurance should reimburse the cost Mr K paid for the repair of the leak, together with interest at our usual rate.

I also consider that it should reimburse the cost of having the timer set. This is something that UK Insurance's engineer should have been able to do when he fitted it. Again, interest should be added to that payment.

I think it's fair to say that Mr K has had to endure a catalogue of disasters on the part of UK Insurance. It was unable to set a timer, it misdiagnosed or failed to diagnose properly issues with his boiler and the lighting. He was told his boiler would need to be replaced, when it was apparently repairable and had to take time off work to wait in for appointments which were fruitless. In addition to all this, he was without heating and hot water for around a week before the timer was replaced, which is longer than was necessary in the middle of winter; and he was without overhead kitchen lights for months.

Having reviewed all the correspondence between him, UK Insurance and its agents, I think that Mr K has shown great patience in the face of all this.

I don't consider that £250 adequately compensates him for all the issues detailed above. In my opinion, an additional £250 should be paid.

my final decision

I uphold this complaint against UK Insurance Limited and direct that it should:

- reimburse the cost of repairing the leak (£675) plus interest at 8% simple per annum from the date he paid this invoice to the date of reimbursement;
- Reimburse the cost of setting the timer (£35) plus interest at 8% simple per annum from the date he paid this invoice to the date of reimbursement; and

- pay compensation of £250 (in addition to the compensation of £250 already paid) for the trouble and inconvenience caused by its handling of these claims.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 11 January 2016.

Harriet McCarthy
ombudsman