

## **complaint**

Mr H's complaint is about the handling of a claim under his home emergency section of his home insurance policy with Admiral Insurance Company Limited. Mr H says that the policy was mis-sold to him.

## **background**

On 5 January 2018, Mr H purchased the 'Platinum' home insurance policy, which included home emergency cover over the phone, after obtaining a quote from a comparison website.

I understand that Mr H's boiler broke down not long after this. He says that when he contacted Admiral he discovered that there were so many exclusions to the cover, it was unlikely any event would be covered.

The main exclusion relevant to this case is that Admiral will not cover repairs that are covered under an existing warranty for the boiler and will not cover routine maintenance of the boiler/central heating system.

Mr H's boiler was still under the manufacturer's warranty in January 2018. However, the manufacturer said it would not repair it until Mr H had a power flush done. When Mr H turned to Admiral for assistance under the policy. It refused to do the power flush, as this was deemed to be maintenance.

Mr H says that the policy was mis-sold to him as the number of exclusions and conditions means it is worthless; the policy cannot properly be described as emergency cover or 'platinum' cover. He says while he accepts that ordinarily a power flush will not be covered, his situation was more complex and the repair of his boiler was contingent on the power flush being done. The need for maintenance and the need for repair coincided. As the boiler wasn't working and in order to get this fixed under the warranty, he needed to get a power flush done, this reasonably amounted to a home emergency that should have been covered under his policy. And, as he was not provided with cover for this emergency the policy was mis-sold. Mr H also says that he never received details of the exclusions when he bought the policy.

Mr H asked for reimbursement of the work he had done to fix the boiler (£644); compensation for his time; that Admiral change the name of the policy to something less misleading; and an apology from a senior representative from Admiral.

In its response on 1 March 2018, Admiral offered to waive the cancellation fee if Mr H wanted to cancel the policy but he wanted to keep the insurance in place.

Admiral says that while a product information sheet had not been sent to Mr H at the outset, it was sent later, he was provided with the main policy terms and the sheet that it omitted to send, doesn't mention power flushes anyway and so it would not have made any difference to Mr H's decision about the policy. However, it offered £25 compensation for the error in not sending that at the right time.

Mr H did not accept this offer and said he would want £200 in settlement of his complaint.

One of our investigators looked into the matter and didn't think it should be upheld and so it has been referred to me.

## **my findings**

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

Mr H's policy says it will not cover:

"Any costs for the repair of your heating system which is covered by a manufacturer, supplier, installer or repairer guarantee or warranty...  
Any routine maintenance, cleaning and servicing, as well as repairs that require a power flush of your boiler or main heating system. "

This is sufficiently clear and unambiguous in my opinion. Mr H's boiler apparently needed a power flush and the repair was also potentially covered under his manufacturer's guarantee. Therefore neither the power flush, nor the repair are covered under the policy.

Mr H seems to accept that in principle but says that his situation is different, as the repair couldn't be done until the power flush was done. However, I'm not persuaded that this means that Admiral should pay for the power flush or the repair, which is clearly excluded from cover.

Mr H also says that the policy was mis-sold, as he wasn't aware of this exclusion or others that he says restrict the cover significantly, when he took out the policy.

Those selling insurance have a responsibility to provide clear information about the cover being provided, the cost and any significant terms or conditions. The information provided to the buyer must put them in a position to make an informed decision about whether or not to take the policy. To fulfil this responsibility, we would expect a seller to explain clearly any significant terms. This may be verbally or by providing sufficiently clear documentation.

The exclusion set out above is not unusual to home emergency insurance policies such as this one. Mr H hasn't said he was told anything that would have led him to think that maintenance or a power flush would be covered. If Mr H wasn't told anything specific, I don't think it would have been reasonable to assume that the policy would cover a power flush or maintenance work that does not constitute a repair. Admiral says Mr H was directed to where he could find the full terms of the policy during the sales call but it also admits that the summary of cover wasn't sent to him. However, the summary of cover doesn't contain the above wording about power flushes as it is only a summary of the main features of cover. Admiral says this omission therefore doesn't make any difference to Mr H's position.

In my opinion, the documentation that was available to Mr H is sufficiently clear and I don't consider that the fact the policy doesn't cover power flushes was something that Mr H should have been specifically told about during the sales call. I therefore don't consider that the policy was mis-sold. I also consider that Admiral's offer of £25 is reasonable to compensation for the omission in not sending the summary of cover.

In any case, I don't think that even if Mr H had been mis-led about any potential claims under the home emergency section of cover, he would be in any different position now. No other policy such as this one, would cover matters that start before the policy and most (if not all) do not cover a power flush. Therefore I don't think Mr H would have been able to get an

alternative policy that did cover his claim even if he had been concerned about this policy not covering power flushes.

**my final decision**

I don't uphold this complaint against Admiral Insurance Company Limited. If Mr H wishes to accept its offer of £25 compensation, he should confirm his acceptance of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 19 December 2018.

Harriet McCarthy  
**ombudsman**