

## **complaint**

Ms J complains that Amtrust Europe Limited has unfairly declined a claim made for her damaged boiler. She has had to pay for repairs herself. She also complains the issues arose because the initial inspection and following boiler services didn't identify that her boiler had been fitted incorrectly such that it has resulted in damage.

This decision only deals with whether or not Ms J had a valid claim for repairs to her boiler. Her concerns about the initial inspection and subsequent services are being dealt with separately against a different business.

## **background**

Ms J has a SSE Home Services policy which provides breakdown cover and servicing for her boiler. The breakdown and servicing cover are provided by different businesses. On 7 November 2018 she noticed a leak from her boiler and called for an engineer to attend. The appointment was arranged for 10 November.

When the engineer inspected the boiler, he noted that it was saturated in water and was no longer operable. He condemned it as unsafe to use. He noted that Ms J was having works done to her home, in the roof area, and found the flue had become dislodged during the works, which resulted in the damage caused. There was no cover provided under the policy, and as the flue wasn't sited as it should be, Ms J says her policy was voided. It did offer to quote Ms J for a new boiler.

Ms J arranged her own inspection through the builder that was carrying out works to her property, in the following week. A gas services business inspected the boiler and found that it had been installed incorrectly and was deemed illegal by Gas Safe. It was the business' opinion that these issues should have been picked up in the initial inspection and subsequent surveys.

Ms J was contacted on 12 November 2018 to quote for a new boiler, however, by this time she had already had repairs carried out. As Ms J paid a total of £750 to have her boiler repaired, she complained about the declined claim (and the servicing of her boiler). Amtrust stood by its decision to decline the claim, it was satisfied by its engineer's report that the ingress of water into the boiler had been caused by the work she was having done to her property.

Our investigator was satisfied the decision to decline the claim was fair. Although she wasn't ultimately persuaded the damage had been caused by building work being conducted on the property (video footage showed there was no movement in the flue), both Amtrust and Ms J's inspection concluded the flue had been installed incorrectly. Ms J's inspection went further, concluding the installation was illegal and that water had been seeping into the boiler for a long time. The policy contains exclusions for poor workmanship or negligence and so she was satisfied Ms J's claim was excluded under the policy terms.

Ms J has asked for the matter to be referred to an ombudsman. She is unhappy that despite paying for boiler breakdown cover, she wasn't covered when she needed it. She also said she tried contacting Amtrust again but was left with no option than to seek an independent review of Amtrust's engineer's findings.

## 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 starting point for any complaint of this type, involving a claim made under an insurance policy, is the contract between the parties. That's the policy document which sets out the terms and conditions of cover.

Unless the insurance is 'all risk', policies will contain limitations and exclusions to cover. There is nothing unusual about that. Ms J's policy does provide cover for broken down boilers. But that is subject to the terms and conditions of cover. The general conditions set out some of the exclusions to the cover provided. Those include:

*9.5 (b) repairs that are required as a consequence of your own, or a third party's misuse, wilful damage, negligence or poor workmanship.*

Amtrust initially declined the claim as it believed damage had been caused during works which were being carried out to Ms J's property. I can understand why it might have reached that initial conclusion, particularly as the outside of the flue is covered in render. However, a video of the flue shows no movement at all, so its difficult to see how the work might have cause the damage; although I do accept it is possible

Ms J says she tried contacting Amtrust again about the damage but was left with little choice other than to arrange her own inspection. But that doesn't seem borne out by the timeline. Amtrust's engineer inspected the boiler on 10 November 2018. But its records show when it contacted her on 12 November, just two days later (and a Monday), to quote for a new boiler she had already had work done. And one of the invoices supplied by Ms J is for work done on that same day. So its hard to see how Ms J allowed or wanted Amtrust to do a further inspection given how quickly she arranged for the work to be completed. And by having the work done, no-one can now know what likely caused the damage.

I'm therefore left with Ms J's engineer's report and what we know from previous inspections of the boiler and flue. It's my understanding from the records that the flue wasn't installed to current standards – and under Gas Safe guidelines that doesn't need to be recorded as unsafe.

Ms J's report suggests that the flue has been degrading and water ingressing for some considerable time. It also says the installation of the flue wasn't correct and went so far as to conclude it was illegal. It seems to me that whichever engineer is correct, Ms J's claim isn't covered.

I find this because if Amtrust is correct, and the damage was caused by third party works to the property, the above clause would apply. The same clause would also apply if Ms J's report is correct, and the installation of the flue was incorrect and illegal. Both causes would mean the damage had been caused as a result of poor workmanship and/or negligence. Either way the policy does not provide cover in such circumstances. I appreciate Ms J feels her boiler should have been covered. But exclusions for poor workmanship and/or negligence are very commonplace in these types of policy. I therefore find the claim has been fairly declined.

It follows that I find no basis on which to ask Amtrust to cover the cost of the repairs Ms J had carried out to her boiler.

**my final decision**

For the reasons given, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms J to accept or reject my decision before 21 May 2020.

Claire Hopkins  
**ombudsman**