

complaint

Mr R complains that U K Insurance Limited mishandled his claim on his home emergency cover.

background

As a benefit of his credit card, Mr R has home emergency cover. UKI is the insurer responsible for dealing with claims. So where I refer to UKI or the insurer, I include its home emergency contractor and others for whose actions I hold UKI responsible.

Mr R has oil-fired central heating. He runs a company in the business of engineering and management consultants. Mr R asked his insurer for help with his central heating boiler. But it said it had no oil boiler engineers available – so he should find and pay an engineer. Mr R sent the insurer his company's invoice for the cost of finding a suitable engineer and overseeing the work. Mr R complained that the insurer wouldn't pay that invoice.

Our investigator didn't recommend that the complaint should be upheld. She didn't think it fair to ask the business to pay Mr R's company's invoice.

Mr R disagreed with the investigator's opinion. He asks for an ombudsman to review his complaint. He says, in summary, that his insurer should've selected an engineer and retained responsibility for the repair. Mr R wasn't qualified or insured to do so, he says. So his company covered that 'gap' in the service.

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 home emergency cover includes repairs to a main source of heating it doesn't exclude oil boilers. The policy limit is £750.00.

The policy says that the insurer will provide emergency assistance through an "Authorised Repairer", which is a repairer appointed by the insurer. The policy said that the insurer would:

"organise and pay up to £750 including VAT, for the call-out of an Authorised Repairer...labour, parts and materials to carry out Emergency Assistance at the Home."

I accept that the insurer had promised to "*organise*" the Authorised Repairer, which is a repairer it had appointed.

In practice the insurer used a home emergency company. But that company didn't have an oil boiler engineer to help Mr R at his home in November. It asked him to find and pay such an engineer – and it would reimburse him.

The policy contained no provision for this "*pay and claim*" procedure. I can see why Mr R thought he was being asked to fill a gap in the service that the home emergency company should provide. And I accept that he had a concern that the insurer wouldn't be responsible for any problems arising out of the repair.

But I think most people would've looked up and found an engineer in the business of repairing oil boilers. I don't think most people would've felt the need to appoint a company to find a suitable engineer.

And from the call recordings, I don't think the insurer agreed to pay any costs other than those of the repair itself.

Mr R's company submitted an invoice. It charged about £500.00 for project management services. That was within the policy limit of £750.00. But I find it disproportionate and outside anything the insurer had agreed to cover.

The insurer reimbursed about £112.00 for the cost of the repair. I don't find it fair and reasonable to order the insurer to pay Mr M any more or to do anything further in response to his complaint.

my final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I make no order against U K Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 6 August 2018.

Christopher Gilbert
ombudsman