

complaint

Mr P says that Ageas Insurance Limited mishandled a claim under his home emergency insurance policy.

background

In June 2015 Mr P took out a home emergency insurance policy to cover his boiler and central heating system. The policy was underwritten by Ageas. Mr P paid for the annual policy upfront.

In December 2015 Mr P's boiler started to make an alarming noise and he decided to turn it off. Mr P did have some knowledge about boilers and thought that if he left it on more damage to his boiler would be caused. This meant he had no hot water or central heating.

Mr P phoned Ageas to make a claim. It took a while for it to locate his policy. Ageas then said that the policy didn't cover 'noises' and that it wouldn't organise an engineer to attend. Mr P arranged for a private engineer to visit. This engineer diagnosed and repaired a fault with the boiler.

The day after the repair Mr P complained to Ageas as he felt he'd not received the expected service under his policy. He was promised a call back, but this didn't happen. So Mr P wrote two letters in January asking for his policy premium to be repaid.

In February 2016 Mr P was contacted by Ageas' representative who offered to reimburse Mr P the costs of repairing the boiler. Mr P also complained that his boiler hadn't been serviced as it should've been in the first two months of the policy. The representative said that the boiler had to be serviced before the policy ended, but not in the first two months. It also said it couldn't repay the premium. Mr P was unhappy with this response so his complaint was sent on to the underwriters.

Ageas replied to Mr P in July. It apologised for the delay and agreed his complaint hadn't been handled as it should've been. It also agreed an engineer should've been sent to Mr P's home in December. It offered £50 compensation and to pay the private engineer's invoice. Mr P was unhappy at the offer from Ageas and complained to this service.

Our adjudicator investigated Mr P's complaint. He recommended it should be upheld. The adjudicator said he thought Mr P had received a poor service. Ageas hadn't dealt with Mr P's call properly and should've taken action about his boiler, especially as Ageas were aware of his personal circumstances. Ageas hadn't helped Mr P despite his having a valid policy and then delayed dealing with his complaint.

The adjudicator said he thought a compensation amount of £200 together with the invoice cost was fair and reasonable.

Ageas disagreed with our adjudicator's view about the amount of compensation and offered compensation of £100. Mr P disagreed as he thought he should have his policy premium repaid as well as compensation.

So the complaint has been passed 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.

It's agreed that Ageas didn't provide the service that was expected to Mr P. It's also agreed that there was a delay in handling Mr P's complaint. So the issue for me to decide is what would be a fair and reasonable settlement for Mr P.

Mr P feels very strongly that as he didn't receive a service under his policy that the premium should be repaid to him. He says not only did Ageas not respond to his claim when his boiler went wrong, but it also didn't carry out a service as expected.

There does appear to have been some confusion over when the service would take place and unfortunately Mr P decided to organise his own thinking Ageas wouldn't. I've seen that the policy says services are 'usually carried out between April and September so Mr P was mistaken about it being done within the first two months.

But Mr P bought the policy so he could have peace of mind over his boiler and central heating. And looking at his personal circumstances I can see why this was important to him. Ageas let him down and also didn't respond to his complaint and so I think compensation of £200 is fair and reasonable in the circumstances, together with the invoice cost. But I'm not requiring Ageas to repay the premium as it had taken on the risk of covering the boiler for that year. I'm upholding Mr P's complaint.

my final decision

I'm upholding Mr P's complaint. I require Ageas Insurance Limited to pay Mr P compensation of £200 in addition to the cost of the invoice for the repair.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 17 October 2016.

Jocelyn Griffith
ombudsman