

## complaint

Mr M complains that – when he had a problem - Acromas Insurance Company Limited failed to attend under his boiler and central heating cover.

## background

Mr M had a policy underwritten by Acromas. He had an intermittent fault with his boiler which required manual intervention occasionally. When it became more frequent, he called for help. Acromas said it was not an emergency and declined to send an engineer. So Mr M paid for someone else to fit a new part the same day.

The adjudicator recommended that the complaint should be upheld. He concluded that Acromas had said that intermittent faults would be covered. The adjudicator recommended that Acromas should reimburse Mr M his repair cost and pay him £50 for the distress and inconvenience caused.

Acromas agrees with the adjudicator's recommendation.

Mr M disagrees with the adjudicator's opinion in part. He says that he had no benefit from the policy for which he paid nearly £300 for the year in question.

## my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

I have seen policy terms including the following:

“Certain words have specific meanings in relation to your policy. To help you identify these we've printed them in ***bold italics*** in your policy details.

### ***Breakdown***

A sudden and unexpected problem with ***your boiler*** or ***your main heating system*** that results in ***complete failure*** or ***partial failure***.

...

### ***Complete failure***

A sudden and unexpected problem with ***your boiler*** or ***your main heating system*** that results in no hot water and/or no heating.

***Partial failure*** Intermittent faults, the failure of one or more radiators or water or gas leaks from the system.

The ***authorised insurer*** will pay for call out, labour, parts, materials and VAT following an ***insured event*** which occurred during the ***period of insurance*** in the event of a ***complete failure*** or ***breakdown of your boiler*** or ***main heating system***.”

I have considered the definitions of complete and partial failure. I conclude that Mr M's central heating system suffered an intermittent fault which was a partial failure and therefore

a breakdown within the meaning of the policy. I accept that he was aware of the fault for some time before he asked for help under the policy. I am not satisfied that Acromas applied the policy terms reasonably or treated Mr M fairly by declining his claim.

But Mr M got his boiler repaired the same day. So the fault did not inconvenience him for very long after he reported it.

On balance I accept his statement that the repair cost £49.99. Acromas has – after Mr M brought his complaint to us - offered to pay for the repair. I am satisfied that this will put him in the same financial position as if it had not initially declined his claim. That is provided that it also pays interest at our usual rate.

I am not persuaded that Mr M will have had no benefit from the policy he paid for in 2012-2013. I do not conclude that it would be fair and reasonable to order Acromas to refund the monthly payments he made.

But I do not doubt that Acromas has put Mr M to some trouble and caused him some upset by wrongly declining his claim and – for some time – rejecting his complaint. Overall I conclude that it is fair and reasonable to order Acromas to pay him £75 for distress and inconvenience.

#### **my final decision**

For the reasons I have explained, my final decision is that I uphold this complaint. I order Acromas Insurance Company Limited to pay Mr M:

1. £49.99 for the repair;
2. simple interest on that amount at an annual rate of 8% from 31 January 2013 to the date it pays him. If it considers it has to deduct tax from the interest element of my award, it shall send Mr M a tax deduction certificate when it pays him. He can then use that certificate to try to reclaim the tax, if he is entitled to do so;
3. £75 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr M to let me know whether he accepts or rejects my decision before 13 February 2015.

Christopher Gilbert  
**ombudsman**