

complaint

Miss M complains about poor customer service under her home emergency insurance policy underwritten by Amtrust Europe Limited ("Amtrust") when her central heating boiler broke down.

background

Miss M's policy covered the boiler and central heating system at the house she lived in along with three tenants. On 12 December 2018 she notified a claim under the policy because of a failure of hot water. She said sometimes it was tepid, but mostly it was cold. Amtrust's agent rang her to arrange an appointment for its engineer to call.

The agent offered her two dates before Christmas, but these weren't suitable for Miss M because of her work. So she said she would call the agent after Christmas.

Miss M called the agent again on 22 December 2018 to try to fix an appointment. The agent said that for some reason her claim had been closed. So Miss M needed to call Amtrust again to reopen it. Miss M did so and then spoke again to the agent.

It arranged an appointment for 24 December 2018 between 12.00 noon and 5.00pm. Miss M said she would have to leave the house for work at 3.00 pm. The agent said she would note this on the appointment but couldn't say when the engineer would be able to arrive. In fact the engineer didn't arrive before Miss M had to leave.

Miss M rang the agent later that day and rebooked for 28 December 2018. She rang back again on 27 December 2018, as 28 December was no longer convenient. An appointment was fixed for the morning of 4 January 2019. The engineer didn't come then and the appointment was rearranged for the afternoon of 4 January.

The engineer arrived and said the plate heat exchanger was blocked and would need to be replaced, or at least cleaned. This wasn't covered under the policy. Miss M agreed to have the heat exchanged cleaned and paid £85 for this to be done.

The engineer returned on 15 January 2019 and carried out the work. However he found that O ring seals needed to be replaced, and a condenser pipe which was broken needed to be replaced. The parts needed to be ordered. The boiler had to be shut down, so Miss M was now without both heating and hot water.

Miss M had to chase the agent to ensure the parts were ordered and another appointment made. She found that her insurance policy had been cancelled in error. So she had to set it up again. The engineer returned on 18 January 2019 and completed the repair. He tested the boiler and system and said all was now OK.

After the engineer left, Miss M said she had no cause to touch the boiler for the rest of the day. In the evening she noticed that one of the bedroom radiators was leaking. After all the delays she had had with Amtrust and its agent Miss M had lost confidence in the agent and its engineers. So she called an independent plumber.

The plumber's job card said:

“Customer had leak on radiator valve where nut has been over tightened on the live side the valve is old and the connections to the rad are rusty also the boiler filling loop was left open and boiler was at 2.4 bar of pressure so I turned off dropped the pressure to 1.4 bar and tightened up the nut that was leaking. Leak has stopped but recommend having the radiator and valves changed asked customer to turn heating on the rad is getting hot at the top which means there probably is a sludge build up at the bottom. Also filling loop was leaking when opened and only has one shut off valve.”

The plumber charged Miss M £126 for the call out. He recommended replacing the radiator and checking the boiler for further leaks. Miss M agreed, so he returned and replaced the radiator. He installed a new filling loop on the boiler with two isolation valves. He tightened the compression elbow in the boiler due to a small leak and refilled the boiler. He charged Miss M a further £771.25 for this work.

Miss M complained to Amtrust about its service. Amtrust didn't accept that its engineer had left the system in an unsafe condition, or caused the radiator leak. And it hadn't been given the opportunity to rectify the leak. So it rejected the complaint.

Our investigator recommended that this complaint should be upheld in part. She said:

- some of the delay between Miss M reporting the lack of hot water on 12 December 2018 and the repair being completed on 18 January 2019 was down to Miss M not being available for appointments that were offered. However the engineer put back the appointment on 4 January 2019 till the afternoon, and the investigator thought he should have anticipated that the O rings would need to be replaced and have ordered them sooner. She also noted Miss M's claim had been closed and later on her policy was cancelled. She recommended that Amtrust pay Miss M £100 as compensation for the distress and inconvenience its poor service had caused her;
- the independent plumber reported that the boiler filling loop had been left open causing a rise in pressure and the radiator to leak. Amtrust disputed that its engineer caused this problem, and said Miss M hadn't given it the opportunity to investigate it. The investigator thought it was understandable that because of the problems she had encountered Miss M had lost trust in the policy. The investigator couldn't say how the loop came to be left open. But on balance she thought it was fair that Amtrust met the cost of sorting out the immediate problem. So she thought Amtrust should reimburse the £126 Miss M had paid the plumber, plus interest from the date she paid the plumber until settlement. She thought the other work the plumber carried out arose from the plumber's recommendation and it was Miss M's choice to proceed with this. So she didn't recommend that Amtrust reimburse the cost of this.
- Miss M thought Amtrust should reimburse her for income she had lost in having to be present for the engineer's visits. The investigator said there would always be some inconvenience as part of a claim. While she understood that Miss M would want to be present at each appointment, rather than arrange for someone else to be present, she couldn't reasonably ask Amtrust to pay for this;
- Miss M had refunded one month's rent to each of her three tenants because they were without hot water for more than a month. Miss M thought Amtrust should

reimburse this to her. However it didn't seem that Miss M had told Amtrust she had tenants in the property, and the policy wasn't a specific landlord's policy. So the investigator didn't think Amtrust was responsible for loss of rental income under the policy.

Miss M accepted the investigator's recommendation.

Amtrust responded to say, in summary, that:

- it agreed to pay Miss M the £100 compensation the investigator had recommended;
- its engineer didn't accept that he had left the filling loop open. If he had water would have discharged from the pressure relief valve and would have been noticeable almost immediately. After he had completed the work he had checked over the boiler for leaks, system pressure and cleanliness. This was something he always did and nothing was noted;
- Amtrust wouldn't have carried out the further work under the policy to replace the radiator as it was caused by corrosion which wasn't covered by the policy; and
- the policy was clear that it didn't cover "*repairs undertaken by a third party and not instructed by us*".

my findings

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

For the reasons the investigator explained I don't think Amtrust and its agent provided the standard of service in respect of Miss M's claim that she was entitled to expect. I agree that Amtrust should pay her compensation of £100 for the distress and inconvenience this caused her.

I accept that the policy doesn't provide for reimbursement of repair costs that a third party not instructed by Amtrust has carried out. However I think the issue here is whether the work carried out by Amtrust on 18 January 2019 was such that a radiator leak occurred later that evening.

Miss M says she didn't touch the boiler after Amtrust's engineer left. The plumber she called is from an independent and well established firm, and has described what he says he found. On the other hand Amtrust's engineer disputes that the described circumstances could have occurred, given how he left the boiler.

On balance, I prefer the evidence of the independent plumber's report. I think it's likely that the condition in which Amtrust's engineer left the boiler earlier that day contributed to the radiator leak. Given the difficulties Miss M had encountered for the past month in trying to get her boiler attended to by Amtrust and its agent, I think she acted reasonably in deciding to call in the independent plumber rather than calling on Amtrust under her policy.

So I think it's fair and reasonable that Amtrust should reimburse to Miss M the £126 she paid the plumber for the first visit, plus interest from the date she paid this bill until settlement.

my final decision

My decision is that I uphold this complaint in part, and order Amtrust Europe Limited:

1. to pay Miss M compensation of £100 for the distress and inconvenience its poor customer service caused her; and
2. to reimburse Miss M the £126 she paid the independent plumber for his first visit, plus interest on this amount at the yearly rate of 8% simple from the date she paid this bill until settlement.⁽¹⁾

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 29 June 2019.

Lennox Towers
ombudsman

(1) If Amtrust considers that it's required by HM Revenue and Customs to withhold income tax from that interest, it should tell Miss M how much it's taken off. It should also give Miss M a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue and Customs if appropriate.