

complaint

Mr W complains about how Amtrust Europe Limited dealt with his claim under his heating breakdown insurance policy. My references to Amtrust include its agents.

background

In March Mr W claimed on his heating breakdown policy for problems with his central heating and hot water.

Amtrust's contracted engineers made numerous visits during which they repaired/replaced several boiler parts. The boiler worked for only short periods of time after those repairs. In May, at Mr W's suggestion, Amtrust arranged for the manufacturer to inspect the boiler. The manufacturer's engineer replaced more parts but said there was an issue with the flue which it didn't cover.

In mid May Amtrust inspected the flue and found an installation defect in the flue which it repaired. The work resolved the ongoing problem and Amtrust's engineers made two further visits to finalise matters.

Amtrust accepted it had taken too long to fix the problem. It offered Mr W a refund of the £90 call out fee and £50 to compensate for his distress and inconvenience. It said it had replaced a heat exchanger which was blocked, so not covered by the policy, for free rather than charging Mr W £233.85. As the flue had an installation defect that work wasn't covered by the policy, but it had also repaired the flue for free rather than charge £536.61.

Mr W complains £140 compensation isn't enough. He says he'd told the first few engineers the user guide for the boiler indicated an issue with the flue but the engineers took no notice and replaced parts which hadn't fixed the problem. He'd had about 12 visits over 67 days with about 30 days of no heat and/or hot water. Three visits were changed at short notice. His wife suffers from asthma and having no heating and washing with hot water in a bucket wasn't good for her condition so he took her away for a break as she was getting upset. He also says before the engineer came he told Amtrust the boiler had a vertical flue that exited through the roof and appropriate equipment would be required. The engineer arrived without the necessary ladder which Mr W then had to find.

Our investigator explained why she thought Amtrust's £140 compensation offer was fair taking into account the repairs Amtrust had carried out for free.

Mr W disagrees and wants an ombudsman's decision. He said the flue kit, which Amtrust costed at £176.61 was the wrong type and not used so shouldn't be included in the £536.61. He also said he'd spent an hour and a half arranging the ladder for the flue to be inspected and wanted £60 an hour for his time.

Before I made my decision we asked Amtrust about the flue kit. It said whether or not the kit was used didn't matter as it had done the work for free.

my findings

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

I don't uphold this complaint. I'll explain why.

I don't know what Mr W discussed with Amtrust's engineers about the possible cause of the fault but our investigator asked Amtrust why the flue hadn't been checked sooner. It said its engineers wouldn't check the flue on a standard breakdown.

As the parts Amtrust had repaired/replaced over many visits hadn't permanently fixed the problem I think it should have reasonably inspected all parts and/or asked the manufacturer to attend sooner than it did. It arranged the latter only at Mr W's suggestion.

Had the problem been identified sooner than mid May Mr W wouldn't have had all the distress and inconvenience of multiple visits. He would have had permanent heating and hot water sooner. The two months was clearly a difficult time for Mr W and his wife. If Amtrust hadn't offered compensation I would have awarded compensation.

In deciding whether Amtrust's compensation offer is fair it's reasonable for me to take into account the work that Amtrust could have charged for but has done for free.

The evidence is the heat exchanger needed replacing. The part was blocked and the policy doesn't cover repairs required due to sludge, lime scale or corrosion. So Amtrust could have charged Mr W £233.85 for that part, but it didn't.

The policy also doesn't cover 'pre-existing faults or system deficiencies'. As Amtrust found the flue problem to be an installation defect the work required wasn't covered by the policy. Amtrust could have charged for that repair. Even if Amtrust didn't use the flue kit, costed at £176.61, it still could have charged for the labour at a cost of £360, and it didn't.

I don't generally award compensation based on a consumer's time spent, instead I look at compensation for the overall distress and inconvenience. In this case there's no basis for me to say Amtrust needs to pay Mr W any compensation specifically for him having to obtain a specialist ladder to get access to the flue. Even if the work on the flue had been covered the policy says the 'cost of any specialist equipment and/or labour required to access and/or undertake work to the flues will be chargeable'. So even then Mr W would have to provide the ladder or have to pay for Amtrust to provide it.

Amtrust's overall settlement of compensation and free work it could have charged for is worth £733.85 (£140 plus £233.85 plus £360). That overall settlement is more than I would have awarded in compensation so I think Amtrust's offer is fair and reasonable.

my final decision

I don't uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 19 March 2019.

Nicola Sisk
ombudsman