

complaint

Mrs T complains that Amtrust Europe Limited is responsible for poor service in connection with a home emergency insurance policy.

background

The Financial Ombudsman Service deals with complaints about insurance companies and other regulated financial firms. Where a complaint is about a claim under an insurance policy, we treat it as a complaint against the insurance company responsible for dealing with the claim.

Mrs T had central heating insurance in the name of the energy company that supplied her gas and electricity. She was paying the yearly insurance premium by monthly instalments of £18.90.

AmTrust was the insurance company responsible for dealing with claims under Mrs T's policy. Where I refer to AmTrust I include other companies and individuals insofar as I hold AmTrust responsible for their actions.

From 3 November 2018 to 18 January 2019 AmTrust took nearly 11 weeks to fix Mrs T's boiler.

In final response letter dated 23 January 2019 AmTrust waived three months' instalments amounting to £56.70. Mrs T then received gas and electricity bills larger than she expected. She complained that – for weeks – her boiler had been either providing too much heat or none at all. So she spent extra money on gas for the boiler and electricity for fan heaters.

On 7 February 2019 AmTrust sent another final response letter. It offered £150.00 as a goodwill payment towards electricity costs. With the £56.70 that made a total of £206.70.

our investigator's opinion

Our investigator recommended that the complaint should be upheld. He thought that AmTrust should have been able to repair the boiler on 12 November 2018 and it was responsible for the delays from this time. He recommended that AmTrust should pay Mrs T £150.00 in addition to the £206.70 already offered.

my provisional decision

After considering all the evidence, I issued a provisional decision on this complaint to Mrs T and to AmTrust on 9 March 2020. I summarise my findings:

AmTrust paid Mrs T £150.00, which is more than I would otherwise have found fair in total including for distress and inconvenience.

Subject to any further information from Mrs T or from AmTrust, my provisional decision was that I wasn't minded to uphold this complaint. I didn't intend to direct Amtrust Europe Limited to do anything further in response to this complaint.

Neither Mrs T nor AmTrust have responded to the provisional decision. Therefore I see no reason to change my view.

my findings

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

Mrs T took out the policy in April 2018. It covered most central heating repairs. But it excluded decorative or designer radiators.

In my experience, electric heating is generally more expensive than gas heating. Mrs T's gas and electricity consumption must've varied according to the weather outside and other circumstances. And the prices of gas and electricity can also vary.

From what she says, Mrs T already had other children to look after in the house. And she had a baby from about September 2018.

AmTrust visited on 4 November 2018. I accept that it knew about the baby. From its records, I find that it adjusted an electrode and left the central heating and hot water working. I don't think it would've worked without the fan - so I find that the fan was working.

But AmTrust had noted a leaking isolation valve. It ordered that spare part and there was some delay. But the boiler was still working. AmTrust visited again on 12 November 2018. It fitted the valve but found a problem with the fan. Unfortunately it was unable to leave the boiler working.

I don't find it unreasonable that AmTrust visited again on 14 November 2018 and fixed the fan. It left the boiler working. It declined to fix the decorative radiator in the lounge. I don't find that unfair, keeping in mind the terms of the policy.

On 24 November 2018, Mrs T reported that she again had no central heating or hot water. On 25 November AmTrust's records show that when it had changed the fan, it hadn't correctly fitted a spade connector. It put that right and restored central heating and hot water.

After that, about six weeks passed without any reported problems. So there's no evidence of any faults, for example with thermistors or the air pressure switch.

It was on 3 January 2019 that Mrs T again reported that she had no central heating or hot water. On 4 January 2019 AmTrust visited. It found the heating and hot water were intermittent. It ordered a printed circuit board (PCB).

On 7 January 2019 AmTrust visited again. It didn't fit the PCB. Instead it worked on the expansion vessel, the filling loop and two thermistors. It left the boiler working. On 8 January AmTrust visited again and confirmed the boiler was working.

On 14 January 2019, Mrs T reported that the central heating or hot water were intermittent. On 16 January 2019 AmTrust visited, fitted a thermostat and left the boiler working. On 18 January 2019 AmTrust visited, fitted an air pressure switch and left the boiler working.

That made a total of nine visits in three months. So I see why Mrs T thinks AmTrust should've fixed her boiler sooner. But boilers – especially older boilers – may have more than one fault at a time or over a period of time. And intermittent faults can be difficult to diagnose.

The most recent fault was the air pressure switch. But that doesn't mean that it was the only fault all along. Rather, the records show many faults that AmTrust fixed in November 2018 and January 2019.

Mrs T hasn't said what she did about the radiator in the lounge that wasn't covered by the policy. I accept that she used some fan heaters in the house. And I accept that there were times when she didn't want to let the boiler go off.

I do hold AmTrust responsible for the incorrectly-fitted connector from 14 to 25 November 2018. But Mrs T didn't call AmTrust until 24 November 2018. So I don't hold it responsible for leaving her without central heating and hot water for more than a day or two.

I keep in mind the many faults AmTrust had to fix. I also keep in mind the variability of gas and electricity consumption and prices. So I don't find it fair and reasonable to direct AmTrust to pay compensation for an increase in Mrs T's gas and electricity bills.

I accept that AmTrust caused Mrs T some extra distress and inconvenience at an already difficult time for her and her family. In particular I find it likely that it caused the lack of central heating and hot water on 24 and 25 November 2018.

But Mrs T's main complaint was about energy bills. And AmTrust paid her £150.00, which is more than I would otherwise have found fair in total including for distress and inconvenience. So I don't find it fair and reasonable to direct AmTrust to pay Mrs T more than it already has.

my final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Amtrust Europe Limited to do anything further in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 2 May 2020.

Christopher Gilbert
ombudsman