

complaint

Ms A's complaint is about the handling of a claim under her home emergency insurance policy with U K Insurance Limited ("UKI").

background

I issued a provisional decision on this matter in September 2018, part of which is copied below:

"Ms A reported that her boiler had broken down on 18 January 2018. UKI sent an engineer to her the next day. He apparently told Ms A that he had "flicked a valve" and got the boiler to work. However, later that same day, it stopped working again. UKI sent a second engineer out the following day (i.e. 20 January 2018) who Ms A says told her that it needed a new valve, which he had with him but would not replace it, as it would be a lot of work to drain the system and the boiler was boxed in making it inaccessible.

Ms A had to pay her own engineer to fix the problem, which he did on 24 January 2018, by replacing the valve. Ms A thinks the valve should have been replaced in the first visit and if it had been, she would not have had to put up with no heating and hot water for six days.

UKI says that the fault didn't show when the first engineer attended the day after the fault was reported. He has recorded that Ms A said it was intermittent. As he could see no fault, he didn't carry out any repairs.

The second engineer came the following day. His report says that because of the position of the flue which was blocked in, he could only carry out a simple risk assessment and there was no valid cover for any other work because of the flue issue. UKI says that an 'at risk' sticker had already been attached to the flue and has provided some information from its technical adviser that in such situations inspection hatches are required (since 2012). UKI says its engineer was correct not to carry out any other work.

Ms A complained and so it was agreed that she would get her own contractor to do the repair. This is what happened and it reimbursed the cost. UKI says that it also offered one night's alternative accommodation as per the policy cover and electric heaters but these were declined by Ms A.

One of our investigators looked into the matter. She didn't think that it had been established that the first engineer should have known the valve would need replacing and Ms A had signed the first engineer's report of his attendance that day. It was the second engineer that mentioned the valve. The repair was not done as quickly as it could have been but UKI has reimbursed the cost and this is a reasonable offer.

Ms A doesn't accept the investigator's assessment. She has made a number of submissions, which I've summarise below:

- *The arguments are contradictory – either there is cover or there is no cover for her boiler. But if there is no cover, then why did UKI meet her claim?*
- *And if there is cover for this (which there is as it met her claim) why was she left without heating and hot water for six days?*

- *She is furious that UKI are getting away with this. She pays for this insurance cover, to avoid having to pay for expensive repairs. Instead of providing her with peace of mind, it has caused her a great deal of stress and she has been let down.*
- *She was not treated with respect and it has not completed the repair at the earliest opportunity.*
- *The report produced by the first engineer is incorrect – he knew what was wrong with the boiler and told her, which is why she was able to mention the valve to the second engineer. She signed a mobile device but didn't see the contents of his report.*
- *UKI has carried out work on her boiler before and this is the first time it has been mentioned that there are access problems. In any case, it has affirmed her contract and can't deny her cover for this reason now.*
- *She missed a mortgage payment due to having to pay up front for the repair (£300) and had an increased electricity bill (by around £20) as she had to use heaters.*

As the investigator was unable to resolve the complaint, it 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.

Ms A took out this policy so she would have prompt access to expert gas engineers in the event of her boiler breaking down and so that she would not have to find and arrange her own contractors. The policy says it will send "an authorised repairer to your home straight away, or arrange for a time for them to come".

An engineer did attend. It's not entirely clear what happened during that visit. However, the boiler wasn't working and he managed to get it working. Ms A says he told her he flicked a valve. His notes of that attendance state:

"Operated timer and boiler fired in both modes policy holder states this wasn't happening however, when I selected central heating everything was noted as working fine, it appears to be an intermittent fault which is not currently presenting."

The first engineer also apparently noted an at-risk label was placed on the flue.

Given that the boiler seemed to be working at that point, I am not persuaded that the first engineer should have done any more during that visit. However, I don't accept that there is a satisfactory explanation as to why the second engineer failed to do any repairs during his visit.

I note the issues raised with the flue and as there was an at risk sticker attached it seems this was probably raised with Ms A prior to this incident. However, as she has mentioned the situation does not appear to be clear. The technical guidance suggests that the boiler should be switched off and not used unless inspection hatches are in place. This didn't happen and one of UKI's engineers did work on the boiler. UKI did continue with the policy cover and Ms A's own contractor was able to carry out the repair without difficulty. UKI also agreed to reimburse her for this cost, which as she points out suggests it agrees that her boiler was covered. There is no comment on his invoice about the flue, only confirmation that he replaced the three-way valve.

Having taken all this into account, it seems to me that UKI should have replaced the valve on the second visit. Its failure to do so extended the time that Ms A and her child were without heating and hot water in extremely cold weather.

I therefore consider that some additional compensation is warranted, over and above the reimbursement of the cost of the repair. I consider that the sum of £200 is appropriate to reflect the distress and inconvenience of being without heating and hot water for this period; having to find her own engineer; and the increased electricity costs.

I don't have any evidence to support the claim that Ms A missed her mortgage payment and so I make no specific award for that. I note that she was reimbursed relatively quickly. However, if Ms A incurred any charges as a result of this, then she can provide evidence of that in response to this provisional decision.

provisional decision

I intend to uphold this complaint against U K Insurance Limited and require it to pay Ms A the sum of £200 compensation for the distress and inconvenience caused by its handling of her claim. "

responses to my provisional decision

I invited both parties to respond to my provisional decision with any further information or arguments they want considered.

UKI has confirmed it accepts my provisional decision.

Ms A also accepts my provisional decision. She has also mentioned that it was the first engineer that put the 'at risk' label on her boiler; it was not there before. Ms A has also said she was charged £35 by her lender for missing her mortgage payment and has provided evidence that the direct debit for her mortgage was attempted on 27 January 2018 (*i.e.* a few days after she had to pay her own engineer to repair the boiler). She was caused a great deal of stress as a result of this and worried about how it may affect her credit history.

The investigator asked UKI to provide any comments it might have about this charge but it has not responded.

my findings

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

As both parties have accepted my provisional decision, I see no reason to change my provisional findings. However, I do intend to change the award set out in my provisional decision.

Ms A has provided evidence that she was charged £35 as she could not make her mortgage payment. I am satisfied that it's unlikely she would not have incurred that charge, if her claim had been dealt with properly. Therefore I consider that UKI should pay Ms A the total sum of £235 to compensate her for the trouble and expense caused to her by its handling of her claim.

my final decision

I uphold this complaint against U K Insurance Limited and require it to pay Ms A:

- £35 to reimburse her for the bank charge she incurred; and
- £200 compensation for the distress and inconvenience caused by its handling of her claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 17 November 2018.

Harriet McCarthy
ombudsman