

## **complaint**

Mr M complains about Ambant Underwriting Services Limited's service under his home care insurance policy.

My references to Ambant include its agents.

## **background**

In December 2015 Mr M took out home care insurance with the understanding that he'd receive a boiler service and a free carbon monoxide alarm. Ambant said that as the policy anniversary fell during winter his service would be carried out in September 2016.

Mr M is unhappy that Ambant:

- never did the boiler service. He says he was initially told his boiler would be serviced within two/three months of taking out the policy
- didn't give him a carbon monoxide alarm. Ambant told him an alarm was sent to him but he refused it and sent it back, which Mr M disputes
- failed to return his call when he phoned about a boiler fault. He was able to fix the problem himself.

Mr M wants all of the premiums he'd paid refunded and compensation.

Ambant told our investigator that Mr M's boiler hadn't been serviced since he took out the policy. In August 2016 Mr M's details were sent to its engineer to action but it wasn't done. When Mr M called it in September 2016 to chase up the service it contacted its engineer again but the service didn't happen. As Mr M cancelled his direct debit in November 2016 his policy was suspended so the service was cancelled on its system. It said Mr M reported a fault in December 2016 but as he'd not paid the premium since October 2016 it wouldn't attend as he wasn't covered.

Our investigator saw that Ambant's letter to Mr M of 1 December 2015 said his boiler would be carried out in September 2016. She said as the service didn't happen Ambant should refund the premiums Mr M had paid from September 2016 onwards. Ambant hadn't given us enough evidence that Mr M had been sent and he'd returned the carbon monoxide alarm. She thought that was unlikely as he'd chased for the alarm several times. She thought Ambant should also pay Mr M compensation of £125 to cover the cost of the alarm and to recognise the distress and inconvenience its overall poor service had caused him.

Ambant disagreed. It said its annual service was at a cost of £4 a month from the overall premium, the rest was for insurance cover which Mr M continued to have. He'd made two payments since September 2016 before cancelling the direct debit. So it proposed refunding the £48 Mr M paid for the annual service for 2016 and an additional £8 for the annual service contributions he made for the service that would have been due in 2017. It also offered compensation of £50 for the late annual service. Ambant said the alarm was a free gift not part of the insurance cover and it sent us a call recording of its voice messages to Mr M telling him it was trying to send out the alarm but he'd had sent it back saying it wasn't called for.

Mr M said he definitely hadn't received voicemails from Ambant. He wanted us to listen to his calls with Ambant in November 2015 when he took the policy out. He said these would

show he was promised a boiler service in March 2016 so he thinks he should be refunded all premiums from March. He thought he'd called Ambant about the fault in May, not December 2016.

Ambant told us the call recording from November 2015 wasn't available and it had no record of Mr M calling in May 2016.

### **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'm upholding this complaint but Ambant doesn't need to refund Mr M the full premiums he's seeking. Although he didn't have a boiler service Mr M had the benefit of other insurance cover through the policy while he paid the premiums. But I'll explain why the overall amount the investigator suggested is a fair amount.

Mr M paid monthly premiums of £21. Our investigator has suggested Ambant refund Mr M the premiums he'd paid from September 2016 and Ambant says that's two payments, so £42 in total. She also suggested it pay £125 compensation which includes the cost of the carbon monoxide alarm Mr M never got from Ambant. So that's a total of £167. Ambant had now offered to refund £56 for the premium (detailed above) plus £50 compensation, a total of £106. So the amount now in dispute is about £60 and the difference is around the level of reasonable compensation.

There's no evidence to support that when Mr M took out the policy Ambant told him that his boiler would be serviced within the first three months. Ambant's told us the relevant calls aren't available. Mr M might be critical that the calls are missing. But even if he was told the service would be in that timescale Ambant's letter of 1 December 2015 (just after he'd taken out the policy) is clear the first service would be carried out in September 2016. Although he never had a boiler service he had other insurance cover under the policy. There's no basis for me to say that Ambant should refund all the premiums or the premiums from March 2016.

There's no evidence to support that Mr M called Ambant to report a boiler fault in May 2016. It didn't need to attend if he called it in December 2016 as at that stage he had no cover. Ambant should have explained that to Mr M and I've seen no evidence it did. Whenever the call was, Mr M was able to fix the boiler but he would have had some frustration if Ambant failed to call back without an explanation whether that was in May or December.

Ambant has shown us its records and sent a voicemail recording about trying to send Mr M the carbon monoxide alarm and he returning it. Mr M disputes this happened. But what isn't disputed is that Mr M doesn't have an alarm and he should have got one as part of taking out the policy. I don't know how much a like for like alarm would cost. These types of alarms sell for a varied range of prices but I think £25 would be a fair sum for a standard alarm if Mr M was to buy one himself.

Ambant now accepts some compensation is payable for its poor service. Its engineer twice failed to do the service and Mr M had to chase for the alarm for some time. Even on Ambant's account of what happened it was nearly 10 months after he took out the policy that it tried to send him an alarm.

Overall the amount of payment suggested by the investigator is fair and reasonable. Interest is payable on the premium element.

**my final decision**

I require Ambant Underwriting Services Limited to pay Mr M within 28 days of the date on which we tell it he accepts my final decision:

- £48 refund of premium, plus interest at 8% simple from September 2016 to date of payment, and
- £125 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 12 July 2017.

Nicola Sisk  
**ombudsman**

\*If Ambant Underwriting Services Limited considers that it's required by HM Revenue & Customs to take off income tax from that interest it should tell Mr M how much it's taken off. It should also give Mr M a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.