

complaint

Mr F is unhappy that Great Lakes Insurance SE wouldn't deal with his claim under his home emergency policy.

background

Mr F contacted his own engineer when his boiler stopped working. The engineer said he thought it was a faulty valve so he couldn't carry out an immediate repair but he was able to help Mr F re-set the boiler so he could still have hot water and heating until a solution could be found. Mr F made a claim to Great Lakes. It declined the claim stating the policy was meant to be for temporary repairs after an emergency. It said this wasn't an emergency as Mr F had hot water and heating. Mr F brought a claim to our service.

Our investigator upheld the complaint. She pointed out that if Mr F had contacted Great Lakes when the boiler stopped working he would've had a valid claim and Great Lakes would've done repair work for him. Our investigator felt Mr F's actions in using his own engineer to get the hot water and heating running again was reasonable as it was during winter. She also pointed out that the engineer resetting the boiler wasn't a temporary repair. In conclusion our investigator said Great Lakes should pay the claim and add 8% interest from the time when Mr F had a full repair done. Great Lakes didn't accept this and asked for the complaint to be passed to an ombudsman for a final decision.

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 understand the point Great Lakes is making when it said the boiler hadn't completely stopped when Mr F contact them. So as far as Great Lakes are concerned it wasn't an emergency. But I think that's rather missing the point and not thinking about Mr F's situation and our fair and reasonable remit. The boiler had already stopped in sudden and unforeseen circumstances once during winter. Mr F had this emergency cover in place for exactly this sort of situation. Even though he'd got the system re-set it was clear that a repair was required. I think these are exactly the times when Mr F would expect Great Lakes to step in and for his policy to operate.

I think if Mr F hadn't tried to use his own engineer and instead had contacted Great Lakes straightaway it would've accepted his claim and done work to repair his boiler. The resetting of the boiler hasn't dealt with the problem - that still exists. So for Great Lakes to say it was an emergency and the problem still exists but because Mr F's system has been re-set he isn't covered is unreasonable.

Great Lakes also contend that it would've done exactly what Mr F's own engineer did and just re-set the boiler. The actions of Mr F's engineer didn't amount to a temporary or a permanent repair. Mr F's engineer didn't attempt a repair and based on the policy wording I don't accept that Great Lakes engineer would've turned up under the home emergency policy and just re-set the boiler. I think it's reasonable to expect that in line with the policy wording a repair, either temporary or permanent, would've been attempted or carried out by Great Lakes. That's the cover offered to Mr F by the policy.

I think the fair way to resolve Mr F's complaint is for Great Lakes to pay what Mr F ended up paying for a repair carried out by his own engineer. The valve repair was £299.76 and as that was the original diagnosis by the engineer it's likely to be what Great Lakes engineer would've done if called out when the boiler first stopped.

my final decision

I require Great Lakes Insurance SE to:

- pay £299.88 for the claim
- pay 8% interest on this amount from the date Mr F paid for a repair to the date of settlement*.

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 25 February 2019.

John Quinlan
ombudsman