

complaint

Mrs A's complaint is about the handling of a home emergency insurance policy with Inter Partner Assistance SA ("IPA").

background

Mrs A made a claim under the policy on 5 March 2018. IPA arranged for a contractor to attend. He said the main heat exchanger was faulty and noisy. The engineer adjusted the temperature to reduce the noise and apparently said there was probably sludge in the system.

On 18 March 2018 Mrs A contacted IPA again, as her boiler had stopped working and she had no heating or hot water. A contractor came out again on 20 March 2018. I understand the contractor determined that the heat exchanger needed to be replaced. This was done but some further work was also required as this did not resolve the problem.

However, on 27 March 2018, IPA told Mrs A that the work required would cost more than the policy limit (*i.e.* £1,500) and that the boiler was beyond economical repair. It was offered to continue to attempt repairs up to the policy limit but said it could not guarantee that a repair would be successful. IPA offered to pay Mrs A £459.56 (being the remainder of the policy limit less the cost of the repairs already carried out) towards the cost of a new boiler as a good will gesture; and paid Mrs A £150 compensation for some delays.

Mrs A is very unhappy with this. She also says that IPA caused damage to her property and wants IPA to pay the cost of rectifying this and the cost of replacing her boiler and compensation for the time she was without heating and hot water. I understand she had the boiler replaced herself in April 2018.

One of our adjudicators looked into the matter. She did not recommend that it be upheld. The adjudicator was satisfied that IPA had handled the claim reasonably. The policy covers repairs up to the cost of £1,500 and there is no cover if the boiler is beyond economic repair. The adjudicator also determined that IPA was not responsible for any water damage to the property, as she said there was no evidence Mrs A had reported an ongoing leak before telling IPA on 12 April 2018 that there was water damage.

The adjudicator thought the offer of a total of £609.56 was reasonable in all the circumstances of the complaint.

Mrs A doesn't accept the adjudicator's assessment, so the matter has been referred to me.

Mrs A has made a number of submissions in her original complaint and in response to the adjudicator's assessment. I have summarised them below:

- She has had problems with the boiler since August 2017, as it would only work intermittently or not at all, and had called IPA in late February 2018 to report yet another boiler breakdown.
- She was fobbed off repeatedly by IPA. It then told her the boiler was beyond economic repair and she was not told it would contribute to a new boiler.
- She was without heating and hot water for most of the coldest days of the winter. She has five children, two of whom have disabilities. The house was so cold they could not use some rooms at all and she was worried that their pets may not survive.

- She had increased electricity costs because she had to use electric heaters and received no help from IPA with this.
- IPA provided a contribution towards the purchase of electric heaters but this was not enough for the house.
- There were delays every time IPA carried out any repair, as the engineers always said they'd have to come back with other parts. She had to spend considerable time on the phone to IPA and accommodating engineer's visits, which meant she had to miss a lot of time off work.
- The engineer who came on the last visit to fit the heat exchanger was the one who left the leak. She wasn't aware of the leak immediately, as it was hidden behind a large steam shower/bath. However, she noticed it in the hallway below the bathroom when she came back after going away for a couple of days.
- She called IPA to isolate the leak as soon as she found it but it refused to send someone out to isolate it, as the claim for the boiler was still open and she had an ongoing complaint. She says she had similar home emergency over with her home insurance policy and it came out to stop the leak.
- She pulled her bath forward to check where the leak was coming from, and found it was coming from above the bath and therefore from the boiler. When she did so the glass shower screen fell and smashed. IPA should pay for the replacement shower screen, as it would not have happened if she had not had to try and find where the leak was coming from. She has not been able to replace it as it is no longer made, and so she will have to replace the bath and the screen.
- Her hallway is still water stained with damaged plaster and flaking paint on the ground floor ceiling, plus stains to the paint on a brick wall on the stairwell where the bathroom ceiling is on the inner side, the leak was extensive and was reported as soon as noticed. The joists and floorboards are damp still. The whole house smells damp still.
- This has caused immense pressure and the hardship for her and her family and she has had to be prescribed anti-depressants.

Mrs A has also provided a video of the leak under the boiler and details of the many telephone calls she has made to IPA.

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 can see this was an ordeal for Mrs A; being without heating and hot water in winter, with young children in the house is difficult and stressful. I can also understand the distress caused by the water damage. However, I do not intend to uphold this complaint, as I am not persuaded that the trouble experienced by Mrs A is due to anything IPA did or did not do.

The policy provides the following cover:

"If you suffer an emergency at your property you should tell us on the emergency telephone number. Having verified your claim on the phone we will then:
a) inform you how to protect yourself and the property immediately;
b) organise to pay up to £1,500 including VAT, call out, labour, parts and materials to carry out an emergency repair, or if at a similar expense a permanent repair".

Mrs A says she had been having problems with her boiler breaking down every couple of months since around August 2017 and I understand that IPA had previously been out to the boiler in December 2017 and found the heat exchanger was blocked.

IPA apparently attended and repaired the boiler each time, which is what it is obliged to do under the terms of the policy. There is no evidence that it didn't carry out any of those previous repairs properly. While it is frustrating to have regular boiler breakdowns, there's no evidence this was due to anything IPA did wrong.

When Mrs A made the claim in March 2018, IPA did try and repair the boiler. However, its engineer determined that it would cost at least £1,500 and it might still not resolve all the problems with it. Mrs A thought it was unreasonable to spend this amount on repairing it and it should have paid that towards a new boiler instead. However, the policy is a repair policy and so I don't agree that IPA needed to offer this as an alternative for Mrs A. Also there is no provision for any contribution if the boiler is beyond economic repair or irreparable.

I am not therefore persuaded that IPA acted unfairly. And there is no evidence that any of the repairs it did do or that it said were needed were incorrect. I therefore consider that its offer to pay Mrs A the balance of the March 2018 claim limit, which it says is £459.56, is reasonable. There is no obligation for it to make any contribution towards the cost of a new boiler if it can't be repaired or is likely to exceed the policy limit.

IPA did accept that there was some delay in attending when Mrs A first reported the claim. I understand that it took around three days to attend initially. Mrs A says there were also delays in getting parts and coming back to do repairs and in getting the quotes for the repairs. We would expect repairs to be done as soon as reasonably possible. However, there's no evidence of any undue delays after the first attendance. It did take around three weeks to determine that the boiler was beyond economic repair. It is not clear whether it was working at all in that time. While this would undoubtedly have been extremely difficult for Mrs A, I am not persuaded that this was entirely due to anything IPA did wrong. Mrs A's boiler needed considerable repair and ultimately needed to be replaced. IPA was prepared to try and repair it but couldn't be sure that it would be able to succeed. It is inevitable that this process would have taken some time.

Having taken all this into consideration, I am satisfied that the £150 compensation already offered, together with the contribution of £459.56 is reasonable compensation for any errors made by IPA.

Mrs A also says that IPA caused damage to her property as the engineer that attended to replace the heat exchanger caused a leak (or left it leaking). Mrs A has provided some photos of the damage to the hallway ceiling and a video of the area around and under the boiler. However, I am not persuaded that there is evidence that IPA caused the leak to the boiler. It had told Mrs A that her boiler was beyond economic repair on 27 March 2018 and the leak was not reported until 12 April 2018. Mrs P says she had been away for a couple of days before she found it and it was initially hidden by the bath. While there is evidence of a significant leak from the boiler, there is no evidence to link it to any actions by IPA. If the boiler was leaking due to the need to be repaired, then that is not due to IPA. It had already said the boiler could not be repaired within the policy limit around two weeks before the water damage was reported to it. And there is no evidence that its engineer did anything wrong to cause the leak.

Given this, I don't consider that IPA is responsible for any of the water damage to the property, the replacement of the shower screen or any inconvenience this has caused.

my final decision

Despite my sympathy for Mrs A's position, I don't uphold this complaint, as I consider that Inter Partner Assistance SA has already made a reasonable offer in settlement of the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 20 March 2019.

Harriet McCarthy
ombudsman