

The complaint

Mr F is unhappy with the way Inter Partner Assistance SA (IPA) handled his boiler claim under his home emergency policy. He'd like IPA to contribute substantially to the cost of his new boiler.

What happened

Mr F had home emergency cover as a benefit of his bank account.

The background to this complaint is well-known to both parties. So I've set out a summary of what I think are the key events.

Mr F claimed under the policy when his boiler stopped working properly. IPA attended on several occasions to try to fix the fault. Each time it left him with heating and hot water.

Mr F complained to IPA about the service he received. He said, amongst other things, its engineers brought the wrong parts, missed appointments, failed to order parts, and didn't provide updates until he chased up.

IPA said the boiler developed several faults. But IPA agreed it hadn't handled the claim as well as it could've done and that Mr F had experienced distress and inconvenience. By way of apology, IPA offered Mr F £250 compensation.

Two months later, Mr F's boiler stopped working again. He claimed again under his home emergency policy. IPA attended and capped off the gas supply at the meter. Mr F didn't want to go through the same problems he had with his first claim, so he bought a new boiler.

Mr F made a second complaint to IPA. He said it had declared his boiler beyond economical repair (BER) and he thought it should contribute a substantial amount towards the cost. Mr F pointed out that IPA should've offered him alternative accommodation in line with the policy, which would've cost more than the new boiler.

IPA offered Mr F £250 towards his boiler, and a further £300 for the distress and inconvenience. Mr F didn't think it had made a fair offer, particularly given his health condition, so he brought his complaint to us.

Our investigator didn't uphold Mr F's complaint. He agreed that IPA hadn't handled the two claims as well as it ought to have done, but he didn't think IPA declared the boiler BER so its compensation offers were fair in the circumstances. Our investigator didn't think IPA needed to pay any more towards the boiler.

Mr F didn't agree. He repeated his comments about the cost of alternative accommodation which would've been more than the cost of the new boiler. And he provided a photo of the notice IPA issued which showed the boiler was dangerous and shouldn't be used. He asked again for IPA to pay towards his new boiler.

The complaint was passed to me to decide.

What I've decided – and why

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

Having done so I've decided not to uphold Mr F's complaint. I understand this will come as a disappointment to him, but I'm satisfied IPA has done enough to put matters right. I'll explain.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably.

My role is to look at the evidence and decide whether IPA handled Mr F's claim fairly and reasonably in the circumstances.

The policy sets out the detail of the contract between Mr F and IPA. I've looked at the policy and note that it offers cover for the boiler in fairly limited circumstances:

Boiler repairs where you have no heat and/or hot water.

There's no dispute that IPA didn't handle the first claim as well as Mr F might reasonably have expected. IPA attended on multiple occasions, and Mr F said it caused delays of around seven weeks through missed appointments, bringing the wrong parts, and lack of contact. IPA paid £250 compensation to Mr F in recognition of the shortfalls.

When Mr F made his second complaint around two months later, he said he didn't have heating and hot water, and he told IPA about his health condition. Despite that, IPA didn't offer him any other help such as alternative accommodation or portable heaters, but it capped his gas supply.

IPA again accepted that its service fell short of what Mr F could've expected and offered £300 compensation. Mr F didn't think that was enough.

I've taken into consideration that the boiler problems happened mainly during the warmer times of year, along with Mr F's vulnerability and IPA's contribution of £250 towards his new boiler. The boiler wasn't declared BER – the gas supply was simply capped off until the seals could be replaced, and that's confirmed on the warning notice. I wouldn't expect IPA to work on the boiler until the leak was fixed, so I don't think it's reasonable to conclude that the boiler was BER.

Based on the evidence Mr F provided which confirmed the seals needed replacing, the boiler hadn't been declared BER. Therefore, when Mr F decided to buy a new boiler, IPA had no liability under the policy to contribute towards it. Nevertheless, it paid £250 which is what would've been due to Mr F had his boiler been BER. I think IPA made a fair contribution in the circumstances, which I consider to be further compensation rather than a liability under the policy. Therefore, for the two claims Mr F made, IPA offered him a total of £800 compensation.

As I've said, Mr F was left with heating and hot water on each occasion during the first claim, and the seals needed replacing before IPA could do any further work for the second claim. I haven't seen any evidence to suggest Mr F got a second opinion about the boiler before going ahead and buying a new one. So, in the absence of any evidence that the boiler was BER, I can't reasonably say IPA should contribute anything more towards the cost.

Alternative accommodation

Mr F said IPA should've paid him over £3,000 for accommodation in line with the policy. As that's more than the cost of the boiler, he wants IPA to pay substantially more towards it.

The policy states:

If an emergency means you are unable to stay in your home, the cover will provide overnight accommodation and transport up to the value of £250.

While Mr F understands this to mean £250 per night for the 15 nights he was without a working boiler, that's not the case. IPA's responsibility under the policy is to provide emergency overnight accommodation following a sudden event up to the value of £250. It doesn't mean up to £250 per night until the boiler was repaired or replaced. However, there's no evidence that IPA offered Mr F a night's accommodation, or any payments towards portable heaters. So, I've taken that into consideration when deciding whether IPA's compensation offer was fair.

Overall, Mr F made two claims regarding his boiler. The evidence shows that IPA didn't handle the first claim promptly or fairly and, for the second claim, it failed to offer Mr F the things he was entitled to under the policy. IPA offered compensation of £250 and £300, along with another £250 that Mr F would've been entitled to if his boiler had been declared beyond economical repair. Having considered the evidence and the circumstances, I'm satisfied the total of £800 is a fair and reasonable sum to compensate Mr F for the avoidable distress and inconvenience caused, and for the errors IPA made handling his claims.

I see no reason to ask IPA to make any further offers or pay any more compensation.

My final decision

For the reasons given, my final decision is that I don't uphold Mr F's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 4 April 2024.

Debra Vaughan
Ombudsman