



Emergency breakdown policy terms not being applied correctly

What happened

Matt called his insurance provider to report a leak from his boiler.

The insurer sent an engineer over who assessed the boiler and found it was failing due to corroded parts, and that these boiler repairs were not covered by the policy. The engineer advised Matt to contain the leak in a bucket and to get it repaired privately.

Matt called the insurer to say the emergency was the leak, and not the boiler failing. The part causing the leak was not corroded. He asked for reimbursement of the private repair cost.

The insurer did not agree to pay the repair cost.

What we considered

- what the emergency was as reported to the insurer by Matt
- whether a repair to deal with the emergency should have been covered by the insurance policy

What we found

- the emergency was a leak causing damage to the home which was covered by the insurance policy
- the corroded parts were not causing the leak
- the repair to the leaking part was covered by the policy, but replacement of corroded parts was not

COMPLAINT UPHOLD – the insurer was required to reimburse the cost of the repair to fix the leak in addition to the damage to the home already agreed

Key learning

Cover for an emergency under this type of boiler breakdown insurance does not depend on whether a boiler has failed. In this case the emergency was the leak – the boiler remained operational. The engineer, assigned by the insurer, had not investigated the leak sufficiently.