

The complaint

Mr W complains about the settlement he's been offered by Aviva Insurance Limited for the costs he incurred in replacing his boiler, after he made a claim on his home emergency insurance policy.

What happened

On 19 December 2019, Mr W made a claim on his home emergency insurance policy after his boiler failed. An engineer went out to look at Mr W's boiler. Mr W says the engineer told him that new parts were needed to get the repair done. But Aviva later let Mr W know the boiler was beyond economical repair (BER).

Aviva told Mr W it would cover the cost of replacing his boiler with the same type of boiler. It said he'd need to pay the installation costs. It arranged a survey visit for 24 December, so a quote could be drawn up. But it let Mr W know that the boiler installation company wouldn't be able to fit a new boiler until at least 27th December.

Mr W was unhappy with the proposed timeframe for getting a new boiler put in. He explained that his wife was vulnerable and they'd be without heating and hot water for over a week. He asked Aviva if it would cover the costs he incurred if he got the work done privately. Aviva told him it wouldn't. But Mr W remained unhappy with the proposed delays in getting a new boiler fitted.

So Mr W arranged to get a new boiler fitted by a third party engineer at a cost of £1800 for the boiler, plus labour. He sent in the invoice to Aviva so it could reimburse him for the cost of the new boiler. And he made a complaint about the service he'd received.

Aviva agreed to pay Mr W £463 towards the cost of his new boiler. This was the cost to it of buying a new combi boiler. It also acknowledged there'd been some errors in its handling of the claim – like telling Mr W his boiler was 'in danger' when it was at risk and delays in sending him service notes. So it offered Mr W £150 compensation to recognise these errors. Mr W remained unhappy with Aviva's decision, so he asked us to look into his complaint.

Our investigator didn't think Mr W's complaint should be upheld. She didn't think there'd been unreasonable delays in Aviva's handling of the claim, given the festive period. She'd also noted that Aviva had provided Mr W with two temporary heaters, which while not ideal, had been a reasonable attempt to fix the situation. She felt the policy terms made it clear that Aviva wouldn't pay the costs of a policyholder or third party getting works done. So she thought it was reasonable for Aviva to pay a contribution towards the cost of the new boiler. And she was satisfied that the cost to it of replacing Mr W's boiler with the same type of boiler was £463. Overall, she felt its offer was fair.

Mr W disagreed. He was concerned that the engineer didn't initially think the boiler was BER and that Aviva seemed keen to replace the boiler. He said the temporary heaters were small and totally unsuitable, plus he and his wife had been left without hot water. He'd been able to arrange the replacement of the boiler at short notice, so he expected better service from a national breakdown company. He asked for an ombudsman to look at the complaint.

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 think Aviva has treated Mr W fairly. I'll explain why.

It must have been very stressful when Mr W's boiler broke down during winter and immediately before the start of the festive holidays. I understand his wife is vulnerable and so being without immediate access to heating and hot water must have been frustrating and very worrying for them. But I have to decide whether I think Aviva responded fairly and reasonably to Mr W's claim. So I've carefully considered everything that happened.

Mr W let Aviva know there was an issue with a boiler on 19 December 2019. It sent out an engineer the next day, which I think was a reasonable timeframe to respond. The engineer originally thought the boiler could be repaired, but it was later deemed BER. I'd like to reassure Mr W having looked at the claims notes, I've seen nothing to suggest that the boiler could've been repaired or that it wasn't BER. So I haven't seen anything to make me think the boiler didn't need replacing.

At this point, Aviva arranged for two small heaters to be sent to Mr W, while it arranged for a quote for a replacement boiler and the fitting of it. I think it was a fair response and while the heaters didn't provide hot water, I do think Aviva tried to make Mr W's situation as bearable as possible. Aviva arranged for this quote to take place on 24 December 2019.

It's unfortunate that the boiler installation company couldn't fit a new boiler until 27 December. I can understand why this was so frustrating for Mr W, but given the time of year, I don't think it was wholly unreasonable. I can also understand why Mr W decided to go ahead and get the work done privately. But I can see from Aviva's notes that he called Aviva and was told these costs wouldn't be covered. This is consistent with the policy terms, which say that costs incurred by a policyholder or third party won't be covered. So I think Aviva had made Mr W aware that if he went ahead with getting the work done privately, it wouldn't be liable for the cost.

However, Mr W's policy does say that if a boiler is BER, Aviva will '*source, replace and install a new boiler.*' This suggests that Aviva will be responsible for finding a replacement boiler, with the same heating and hot water requirements of the existing one. So I think it was fair for Aviva to agree to pay a contribution towards the cost of Mr W's new boiler, in line with what its own costs would've been if it'd done the work. I've seen evidence that Aviva would've paid £463 for a new combi-boiler, which is what it's offered Mr W.

The policy doesn't cover the installation costs in these circumstances though, which is why Aviva hasn't made a contribution towards the labour costs. Mr W accepts these costs simply aren't covered.

So this means I think Aviva's settlement offer is fair and in line with the policy terms. So I won't be asking it to pay anything more towards the costs Mr W incurred in replacing his boiler.

It's clear Mr W did experience some poor service from Aviva. He was misinformed that his

boiler was 'in danger' and he wasn't sent information he asked for in a timely way. So Aviva offered him £150 compensation for the issues he'd experienced. I think this is fair and reasonable compensation and broadly in line with what I'd have been likely to award.

Overall, I think Aviva has treated Mr W fairly. So I won't be telling it to do anything more.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 20 July 2020.

Lisa Barham
Ombudsman