

## **The complaint**

Mr and Mrs L complain about how Aviva Insurance Limited handled a claim on their home emergency policy.

Both Mr and Mrs L are named policyholders on their Aviva policy, so any claim or complaint is brought by them both. But for simplicity, and because most of the information about the complaint has been provided by Mr L, I'll refer mainly to Mr L from here onward.

Mr and Mrs L's Homeserve policy was underwritten by Aviva. While all of Mr L's communications have been with Homeserve, for simplicity I'll refer mainly to Aviva in my decision. Any reference to Aviva includes its agents, including Homeserve.

## **What happened**

In September 2020, their boiler broke down and Mr L called Aviva's agent. Aviva's engineer attended, identified the fault, and decided the cost of new parts meant the boiler was beyond economical repair (BER).

Aviva explained that the boiler was over seven years old and, under the policy terms, Mr L was liable for the cost of installing a replacement. It quoted him £1,532 for this. Mr L disputed this and said:

- It wasn't reasonable for Aviva to say the boiler was over seven years old based solely on the June 2013 manufacture date.
- Aviva's installation quote was excessive.
- He was prepared to either pay £600 for Aviva to install the new boiler, or Aviva should provide the boiler and he would arrange for it to be installed by his own engineer.
- The policy term stating the customer must pay Aviva to install the new boiler was unfair.

Aviva didn't agree. Instead, it offered Mr L £365, representing the cost price to Aviva of a new boiler. Mr and Mrs L didn't accept this, so they brought their complaint to this service.

Our investigator didn't recommend that the complaint should be upheld. He was satisfied that Aviva's finding that the boiler was over seven years old was reasonable, and this meant Mr L was liable for the installation of a replacement. He thought Aviva's offer to pay for the replacement boiler was fair.

Mr and Mrs L disagreed with our investigator, so the case was passed to me to make a final decision.

## **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 reached the same conclusions as our investigator and for the same reasons.

First, I've looked at the age of the boiler and the policy terms. The relevant section of Mr L's policy says:

*"If upon making a claim after the first 6 months of cover your boiler is deemed to be BER or the parts required to fix your boiler are obsolete and the boiler is less than 7 years old, we will source, replace and install a new boiler. If the boiler is deemed beyond economical repair and is 7 years or older, we will source, replace and install a new boiler but you will be required to pay the installation costs. We will provide for you, a quote for this work."*

This is also set out in the policy summary (*"If your boiler is BER, we'll replace it. You'll just need to pay us for installation if it's over 7 years old"*) and Insurance Product Information Document (*"If the boiler is over 7 years of age we will source, replace and install a new boiler, but you will be required to pay for the installation costs"*).

Aviva's internal notes show the manufacturer said the boiler was made in *"2013, week 11"*. This means June 2013. Aviva told Mr L that it would accept the boiler's installation date if he could show evidence of this. Unfortunately he was unable to do this. Mr L suggested that even if the boiler was manufactured in June 2013, *"the chances are it's less than seven years old to the date of claim"*. I think that's too big an assumption, so I think it's reasonable for Aviva to accept the manufacturer's date. That means the boiler was more than seven years old when the fault happened in September 2020 and Mr L was liable for the cost of installing a replacement.

There's nothing in the policy that says that if a boiler needs to be replaced because it's BER, Aviva will offer a replacement that the customer can have fitted independently. I think Aviva's reasons for not doing this – that it wouldn't guarantee work carried out by a third party and couldn't be sure the boiler was installed correctly if there were subsequent problems – are understandable. So I don't think Aviva acted unfairly by declining Mr L's request for this.

I know Mr L believes Aviva's installation quote was too high. And I can understand why he was unhappy with this when he found lower quotes elsewhere. But his policy doesn't say Aviva will offer the cheapest installation fee. So I can't see that it's done anything wrong here.

There's also nothing in the policy that says that a customer can have a cash contribution towards a new boiler not provided by Aviva. Aviva has offered to pay £365 towards this. In the circumstances, I think this is fair.

### **My final decision**

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L and Mr L to accept or reject my decision before 5 May 2021.

Simon Begley  
**Ombudsman**