

The complaint

Mr G's complaint is about the handling of a claim under his boiler and central heating policy with Aviva Insurance Limited.

What happened

I issued a provisional decision on this matter in April 2021, the main parts of which are copied below

"In January 2020, around two weeks after taking out the policy with Aviva, Mr G made a claim as there was a leak from one of his radiators. Aviva sent one of its contractors out two days later, who said the radiator had split, so he ordered a new one. After the contractor left, Mr G says he had to reset his boiler manually, Mr G reported this to Aviva and it sent its contractor out again. On 31 January 2020, the contractor said the boiler was faulty, there was a leak in the heat exchanger, which had caused corrosion and some joints and pipes were broken. The contractor said the boiler was beyond economical repair and needed to be replaced [which it would not cover under the policy]; he turned the boiler off. On 4 February 2020, the radiator was replaced and system drained down and then re-filled and switched on.

Mr G is very unhappy with the way the claim was handled. He says the boiler had been working fine, before the contractor looked at the radiator. He says the contractor did not do any thorough testing or checks in line with industry standards, and he wasn't provided with any evidence the boiler had broken down. Mr G says that since the radiator was replaced, the boiler has worked without any problems. Mr G says Aviva's contractors that fitted the radiator told him that the split in the radiator would have let air into the system and this would have caused the error code with the boiler and it didn't need to be condemned or replaced.

However, although he says the boiler was working without any problems, Mr G says he has since had the boiler replaced. Mr G says this was done to improve the efficiency of the heating system and because it would improve the marketability of his house.

Mr G has made a number of points in support of his complaint, which I've summarised below:

- Aviva's engineers didn't remove their shoes or wear shoe protectors when coming into his home.
- It took around a week for the radiator to be replaced.
- Aviva had checked the entire heating system before agreeing to cover him and there were no problems identified.
- His concerns about the boiler having to be reset were not taken seriously and he had to pay two policy excesses (£50 excess for boiler and £50 excess for radiator).
- He was left with no heating or hot water in extremely cold weather and with medical conditions exacerbated by cold.
- Mr G says that the stress caused to him by being told the boiler was beyond economical repair, which would cost thousands to replace and having been without heating or hot water for a week, caused him physical trauma which led to him being

hospitalised.

- He was never provided with any information about the cost of the repair proposed and the replacement cost of the boiler.
- The old radiator was not taken away when the new one was fitted and was not collected for some time. It was also drained on his patio causing staining, which he wants cleaned and compensation.

Mr G asked for £5,000 compensation.

In June 2020, Mr G also reported that the new radiator was leaking. He said the connecting valve was leaking on the day it was fitted and the engineer said he had resolved it after Mr G pointed it out to him. However, Mr G says it is still leaking and has caused damage to his new wooden floor.

Aviva accepted that it was inconsistent that around two weeks before the boiler was written off, it had been inspected and deemed to be in good condition. However, it stands by the diagnosis of its engineer. It also says that the boiler was classified as being 'at risk' and unsafe to use, due to the "*level of corrosion through the combustion chamber around the return manifold and in the base of the combustion chamber*" caused by the leak from the heat exchanger. Aviva says its engineers diagnosed the leak from the heat exchanger by visual inspection and there were no other necessary tests. It also says the fault with the boiler was separate from the claim for the radiator, so two claim excesses were rightly charged. Aviva also provided evidence that the parts it says needed replacing (the heat exchanger and printed circuit board) would cost more than a new boiler of similar specification would cost, which it says means it was uneconomical to repair in accordance with its policy terms.

Aviva said the policy terms meant that it would pay £500 contribution towards the cost of a new boiler, so it paid this to Mr G.

Aviva did collect the old radiator towards the end of March 2020 and agreed to arrange for the paving stones to be jet washed.

One of our investigators looked into the matter. He did not recommend that it be upheld. He was satisfied there was enough evidence that there was a leak from the heat exchanger, and other parts, and that it would have been more cost effective to replace it, so Aviva was not wrong to condemn the boiler. However, he informed both parties that the policy states Aviva will pay the cost of a replacement boiler if the boiler is under seven years old, and if it is over seven years old, the policyholder would need to make a contribution of £500, in addition to any policy excess.

Aviva therefore sent the £500 to Mr G in error. If the boiler was replaced under the policy, all but £500 of the cost would have been covered by the policy. Aviva has confirmed it does not intend to re-claim this from Mr G.

Mr G does not accept the investigator's assessment. He says that if he had been told the boiler would be replaced under his policy and he would only have to pay £500 towards it, instead of being given wrong information and being told it would cost him £4-5,000, he could have made an informed choice. Instead Aviva tried to defraud him. As he only [would have] had to pay £500 towards this, he wants £4,500 compensation for the stress and financial disadvantage he has been caused.

Mr G also says it is unfair for the investigator to state that evidence from Aviva is more "*persuasive*" when it has failed to carry out gas and electrical testing to support condemning the boiler and proving the heat exchanger was leaking and faulty. "*Deeming a boiler unsafe*

without conducting the industry standard testing and protocol is a fraudulent approach and the net impact has been significant distress and disadvantage.”

Mr G also says that the photos taken by the contractor show that there was a leak from the condenser trap and the water that leaked from this had sat on other parts and evaporated leaving corrosion marks. *“there is no evidence of leaks coming from an above position in the boiler system – there is purely a collection of surface rising condensation”*. There’s also no evidence of a problem with the PCB. He says again that the boiler continued to work [and] perform faultlessly after the radiator was replaced. He also confirmed his brother paid for the new boiler (from their joint account) to make it more energy efficient.

As the investigator was unable to resolve the complaint, it has been passed to me.

What I’ve provisionally 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.

Was the boiler in need of repair or replacement?

Aviva says the boiler was beyond economic repair due to a leaking heat exchanger and corrosion caused by the leak. Mr G is adamant this wasn’t correct. He says there was a lack of industry recognised tests carried out on the heat exchanger.

Aviva has said an engineer can tell by visual inspection if a part is corroded and/or leaking and that seems reasonable to me in principle. However, I have been presented with two entirely opposing opinions about the source of the leak. Both engineers appear to be gas safe registered and equally qualified. Aviva’s engineer says the boiler was dangerous to operate due to this leak and was beyond economic repair.

I’ve also seen the photos of the boiler, which clearly show wet areas and areas of corrosion and discolouration. However, it is impossible for me to tell from these where the water is coming from and I am not able to tell from these whether the heat exchanger was leaking or not.

Mr G’s engineer says (in a report dated 3 February 2020) there was a small leak from an inlet pipe to the condensate trap but that the boiler was not at risk or beyond economic repair:

“On investigation the leak is coming from the black inlet tube to the condense trap which can be replaced. The heat exchanger inlet is corroded but does not have a leak. All electrics were dry inside boiler. Customer told they needed a new boiler. I agree the inlet and outlet of the heat exchanger are beginning to show corrosion, (one being heavily corroded) but I would be interested in the reasons for a customer being told they need a circa £3,000 installation at this point.”

Mr G’s engineer apparently did the repair to the inlet pipe and the boiler worked properly ever since. However, it also appears Mr G replaced the boiler anyway. Although I’ve not seen any invoice or report in relation to this, he says this was a decision made by his brother to do with the efficiency of the heating system and the boiler did not have to be replaced. Given that two sets of contractors, both apparently qualified to deal with such matters have provided such opposing opinions about the cause of the problem and the work required, it is extremely difficult for me to be sure which is correct. I have to therefore consider all the other evidence around this issue to determine which is most likely to be correct, including that the boiler was inspected and deemed to be in good condition two weeks earlier by another Aviva

engineer. I do find it difficult to understand how the boiler can be deemed to have been in good condition but two weeks later showing corrosion and leaks from pipes that would render it beyond repair. The notes also say the contractor that fitted the new radiator refilled the system, tested it, and all was left working okay. Again, this is difficult to reconcile with the boiler being deemed to be so badly corroded and damaged that it was condemned a few days earlier.

Overall, having considered all the evidence, it seems likely to me that the boiler was repairable and did not need to be replaced. The boiler repair required would have been covered under the policy, so Mr G should be reimbursed for that. However, I've not seen any evidence of the cost of the repair that Mr G had carried out.

Excess

Mr G was apparently charged two excesses and thinks this is unfair. However, it appears there was a separate issue with the boiler (the inlet pipe which his engineer replaced) so I am not persuaded it was wrong to charge a second excess. As mentioned, I have not seen any invoice from Mr G's engineer for the repair. His engineer suggests it was a simple repair. If it is less than the excess, then Aviva should however refund the difference.

Service provided

Mr G says that Aviva's contractors didn't take their shoes off, or wear protective covers over them, when attending his home. I have not seen any evidence of any damage caused by this, so while this would have been frustrating, I do not consider I can make any award for this. I also understand the patio has been cleaned and this issue is therefore resolved.

Mr G is also unhappy that it took around a week to replace the radiator. I've not seen any explanation about this; Aviva has simply said that it attended as soon as an appointment was available and the work was completed within a reasonable timeframe overall.

It would not be unreasonable for it to take a few days to obtain the new radiator but from what Aviva has said it was a scheduling issue. I do not think this is reasonable, given it is a policy intended to respond to emergency situations. It appears Mr G had heating for part of this time but certainly not for the days between the engineer turning off the boiler and the new radiator being fitted, around four days.

Aviva also wrongly told Mr G that he would have to pay for the new boiler and it would contribute £500. This is an extraordinary misinterpretation of its own policy terms. Mr G says this caused him financial disadvantage. I can see that he might well have agreed to the replacement boiler, if he had known this but he is still adamant that the boiler didn't need to be replaced and only required a small repair. As I think he is probably right about this, it seems to me he is in no worse financial position due to this error.

Compensation

I do think Aviva has made some errors and so I have to try and put Mr G back in the position he would have been in, had it not made these errors.

I think it likely the boiler did not need replacing in January 2020 and Mr G's engineer was right that it only needed a replacement inlet pipe. So Mr G should be reimbursed the cost of the repair he had done and be compensated for the trouble caused to him by this, including: having to get his own engineer; the delay in fitting the new radiator; being without heating and hot water for around four days and the worry caused by being told he needed a new boiler. Mr G has said his health was badly affected by the matter and he was hospitalised as

a result. I have not seen any medical evidence to support this but do accept it would have been stressful.

Overall, if I were determining the compensation required to reflect these issues, it would not be more than the £500 that Aviva has already paid Mr G. And in the absence of evidence about the cost of the repair, I think this is sufficient to cover this too. This payment was made in error but Aviva has agreed not to reclaim it from Mr G. Based on the evidence available, I think this is reasonable and I do not think Aviva needs to do anything further.

My provisional decision

I do not intend require Aviva Insurance Limited to make any further payment.”

Responses to my provisional decision

I invited both parties to respond to my provisional decision with any further information or arguments they want considered.

Aviva has confirmed it has nothing further to add.

Mr G has responded. He made a number of points, which I've summarised below:

- he had been hospitalised as a result of a stroke and asked for time to provide evidence from his consultant that this was caused by the stress brought on by this situation.
- He has been financially disadvantaged above and beyond the £500 that was paid. His brother told him he replaced the boiler because he felt duress to do so given Aviva had told them the boiler was not safe. If Aviva had not misrepresented the procedure and financial contributions then they'd never have incurred the costs of replacing the boiler.
- Aviva should reimburse the cost of the new boiler because it had misinterpreted its own policy terms.
- The boiler replacement company advised him that, if the boiler have been at “*unsafe levels*” (I assume he means unsafe gas emissions) then their gas safety equipment would have given an immediate warning of this risk. This was not the case.

Mr G says the “*excessive stress and financial disadvantage that has been caused by this matter is severe and I am seeking full financial compensation of the total costs of the boiler replacement and £1000.00 in goodwill to resolve*”.

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.

Mr G was adamant throughout this case that the boiler did not need to be replaced and had worked perfectly after the radiator was replaced and that his brother only replaced the boiler in order to be more energy efficient. Mr G also had his own engineer provide a report which said the boiler was safe and that Aviva's diagnosis that the boiler was unsafe was wrong. It is only in response to my provisional decision that he says this was due to felling under duress and concerns about the safety of the boiler.

Having considered everything again, I remain of the opinion that the boiler was probably repairable, for the reasons set out in my provisional decision. And I am not persuaded that Mr G was coerced into getting a new boiler due to Aviva's error. Mr G disagreed with Aviva's

diagnosis that his boiler was unsafe and irreparable throughout. So while I think Aviva made an error, I remain of the opinion that Mr G was not financially disadvantaged by this.

Mr G was given additional time to respond to my provisional decision with further evidence about the effect of this matter on his health. No further evidence has been provided. So while I can see this would have been stressful, in the absence of any corroborating evidence, I am unable to link the error made by Aviva with Mr G's hospitalisation. I am unable therefore to require Aviva to compensate him for this. Overall, I remain of the opinion that the £500 Aviva has already paid Mr G is sufficient compensation for the trouble its error caused him (including: having to get his own engineer; the delay in fitting the new radiator; being without heating and hot water for around four days and the worry caused by being told he needed a new boiler) and to cover the cost of the repair of the boiler.

My final decision

I do not uphold this complaint and do not require Aviva to make any further payment.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 2 September 2021.

Harriet McCarthy
Ombudsman