

The complaint

Mrs G complains about Aviva Insurance Limited's (Aviva) poor customer service, under her home emergency policy.

What happened

Mrs G 's contacted Aviva as her boiler developed a fault. It sent an engineer, who Mrs G said told her that the boiler needed one replacement part. The engineer didn't carry out a repair at the time and left. When Mrs G hadn't heard from Aviva for over a week, she contacted them.

It was at this point that Aviva told Mrs G that her boiler had a few issues and it deemed the boiler beyond economical repair (BER). In line with the terms and conditions of her policy, Aviva said it would cover the cost of a new boiler, but Mrs G would have to pay for the installation cost.

Mrs G wasn't happy that she would have to pay for the installation cost and that it was likely that there would be additional delays in getting the boiler installed, so she arranged for an independent engineer to install a new boiler.

Mrs G complained to Aviva, as she was unhappy that it had advised her that her boiler was BER and that it didn't tell her sooner. Also, that she hadn't received an annual service as per her policy terms.

In its final response, Aviva ultimately accepted that its standard of service wasn't as it would've liked, due to the delays and not telling Mrs G sooner that her boiler was BER. It confirmed that under the terms and conditions of the policy, it would replace the boiler free of charge, but Mrs G would be responsible for the installation cost.

Aviva apologised for its poor service and offered to refund the cost of the annual service as well as a goodwill gesture payment of £368, as this was the cost it would've incurred, had it replaced the boiler.

Mrs G was unhappy by the outcome and so referred a complaint to this service.

One of our investigators considered the complaint and didn't think it should be upheld. She said that Aviva did get things wrong, but it offered to put them right by offering to refund the cost of the annual service and providing a cash settlement of £368, which would've been what it would've cost them to replace the boiler. She thought the offer was fair and reasonable and there was nothing further she could ask Aviva to do.

Mrs G didn't agree with our investigator. She said that if she had waited for Aviva to replace her boiler, it would've taken a long time and for this Aviva should offer her more compensation. She felt that she didn't get an apology from Aviva and she thought it made the offer too quickly. She did ask if Aviva could send her the £368 it offered. And she asked for a decision from an ombudsman.

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 won't be upholding this complaint. I realise this will be a disappointment to Mrs G, but I hope my findings go some way in explaining why I've reached this decision.

My role is to determine whether Aviva acted fairly towards Mrs G in dealing with her claim. To this end, I think the main issues are whether Aviva would've delayed installing the replacement boiler and whether its offer of £368 is fair and reasonable.

Mrs G said that if she had waited for Aviva to replace her boiler there would've been unnecessary delays. Aviva has apologised for the delay that Mrs G experienced and it acknowledged that it should've informed Mrs G sooner that her boiler was BER.

I understand why the delay would've been a worry for Mrs G. But my role is to look at what happened and not to speculate on a future event that may or may not happen. I can see that Aviva acknowledged the delay as well as recognised that its engineer likely gave Mrs G incorrect information. For those errors, it offered a goodwill gesture of £368. Which it confirmed was the amount it would cost Aviva, to replace Mrs G's boiler.

I have next considered whether Aviva's offer of £368 is fair. I understand that Mrs G is seeking a greater amount of compensation as she believed that Aviva hadn't treated her properly, nor had it apologised, and it made the offer too quickly.

I have reviewed the evidence and dealing with whether Aviva had apologised to Mrs G, I can see that in its final response it apologised a few times for the poor service Mrs G experienced. So, I can't agree that Aviva didn't apologise to Mrs G.

Mrs G said that Aviva made its goodwill gesture too quickly and the amount should be increased. I have looked at the complaint notes as well as the final response letter. The complaint notes and the final response letter showed that Aviva's goodwill gesture offer was made after its final response had been issued and at least two weeks after Mrs G initially complained. I can see that Aviva had been investigating Mrs G's complaint. Consequently, I do think Aviva did consider Mrs G's complaint before it made the offer and so I don't agree that it made the offer too quickly.

Finally, I have looked at whether the goodwill gesture of £368 was fair. I asked Aviva how it arrived at the figure of £368. It said that the terms and conditions of Mrs G's policy provided that if a boiler was deemed BER, Aviva's responsibility under the policy was to pay for the cost of a new boiler. Mrs G's obligation would be to pay for the installation cost of the replacement boiler, if she wished Aviva to supply a new boiler.

Mrs G believes that she ought to be paid more. Aviva said that because it buys boilers in bulk this attracts discounts from its suppliers. So, it offered the full cost of the boiler that it would've paid, for Mrs G's replacement boiler. In the circumstances, I don't think that Aviva were unreasonable in relying on the terms and conditions of the policy, when it offered the £368. And I don't think the amount offered was unfair.

Overall, I think Aviva acted fairly when it relied upon the terms and conditions of the policy. The offer of £368 by way of a goodwill gesture is fair. Aviva has confirmed it has raised the payment to be credited to Mrs G. If Mrs G hasn't received it, I recommend that she contact

Aviva to arrange payment, as I won't be asking Aviva to do anything more to resolve this complaint.

My final decision

Aviva Insurance Limited has already made an offer to pay £368 to settle the complaint and I think this offer is fair in all the circumstances.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 1 July 2021.

Ayisha Savage
Ombudsman