

The complaint

Miss P has complained that Aviva Insurance Limited (Aviva) isn't giving her £500 towards the cost of a new boiler when her old one was declared by a third party engineer to be beyond economic repair.

In this decision references will be made to HomeServe Membership Limited (HomeServe) who are claims managers for Aviva who provide the insurance.

What happened

The details of this complaint are well known by both parties and have been summarised by our investigator in his view so I won't repeat them again here. Instead I'll focus on the reasons for my 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 agree with the conclusions reached by our investigator for the following reasons.

- The terms and conditions of Miss P's policy, which were referred to in our investigator's view, include the following, (with my emphasis underlined):

"On assessment of your main heating system, our engineer may declare it to be "beyond economical repair"..."

The policy defines "engineer" as

"a person employed or authorised (or both) by HomeServe to assist with your emergency".

I consider that this make it clear that it needs to be a HomeServe appointed engineer who decides whether a boiler is beyond economical repair. HomeServe's own engineer wasn't given the opportunity to attend to see if the boiler could be repaired before Aviva was required to make a financial contribution towards a new boiler.

- The policy also says:

"In the unlikely event that your main heating system is declared beyond economical repair, we will advise you to replace it and will contribute £500.00 towards the cost of a new boiler or electric heater."

In my view it is clear that "we" refers to HomeServe, whose engineer will have made the assessment.

- The policy also states that it doesn't cover the following:

“the costs of any work carried out by you or people not authorized by us in advance”.

Miss P's boiler was declared to be beyond economical repair by her own engineer who also fitted a new boiler, and not by an engineer employed or authorized by HomeServe as the policy requires. As Miss P's engineer wasn't authorized by HomeServe to fit a new boiler, I consider that the financial contribution towards a new boiler isn't available in these circumstances.

- Miss P didn't contact HomeServe in advance, as the policy requires in the event of any claim. Miss P says instead she tried to call her bank through whom the policy was provided. I consider it's reasonable for Aviva to require a claim to be reported to its agents before a customer arranges for work which will involve a claim against Aviva.
- In the circumstances, I don't consider that Aviva has acted unfairly or unreasonably in not making a payment to Miss P towards her new boiler. I consider it is acting in accordance with the policy terms and conditions.

My final decision

For the reasons I've given above, I'm not upholding Miss P's complaint against Aviva Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 5 August 2021.

Nigel Bremner
Ombudsman