

## The complaint

Mr and Mrs V have complained to Aviva Insurance Limited about the way a claim they made under their home emergency cover has been dealt with.

## What happened

Starting in September 2020 Mr and Mrs V experienced ongoing problems with their boiler which resulted in periods with no heating or hot water, and ultimately resulted in a new boiler needing to be installed.

Mr and Mrs V had 'HomeServe' insurance cover and are unhappy with the level of service they received and the way in which their claims under the cover were handled over a period of time. HomeServe managed the claims handling service, but the policy is provided by Aviva – which is why this complaint is made against Aviva. In this decision, I will refer to Aviva and HomeServe interchangeably.

In the course of this complaint a considerable amount of information has been provided about what happened and the communications between Mr and Mrs V and Aviva. I've reviewed and taken everything into account but have set out a brief overview of some of the key dates and interactions below. In the interests of brevity, I haven't included everything, but have focussed on some of the information which sets the general chronological background.

- On 26 September 2020 Mr and Mrs V had no heating or hot water in their home. Mrs V called Aviva to claim under her cover. She was told that an engineer wouldn't be able to come out until 2 days later.
- Mrs V was unhappy with the time it would take for a callout and asked to speak with a manager. She explained that Mr V had health issues and was vulnerable. There were missed calls between Mrs V and a manager the next day, but Aviva did manage to assist Mrs V to carry out a 'self-fix' and offered to provide heaters (which were declined). So, Mr and Mrs V were without heating and hot water for one night.
- On 24 October 2020 the boiler was serviced, and it was noted that it was noisy but working. On 30 October Mrs V contacted Aviva as the noise had gotten worse.
- An engineer was sent out to look at the boiler on the same day, but Mr and Mrs V were unhappy as no-one rang ahead of the visit. Given Mr V's health and concerns around the covid pandemic at the time, they had concerns about someone coming into their house without being prepared. I also note the engineer didn't have everything needed and had to use WD40 that belonged to Mr and Mrs V to oil the fan and stop the noise.
- On 2 December 2020 an engineer was called out again to inspect the heating system and found sludge in the water tank. He collected water samples to be sent away and

tested, but on 24 December 2020 Aviva confirmed that the samples had been lost. New samples had to be collected on 28 December 2020.

- On 3 January 2021 Mrs V again contacted Aviva as the boiler was leaking – but asked for a different engineer to come out than had visited previously.
- On 4 January 2021 a different engineer visited Mr and Mrs V's home and found a fault with the boiler which meant that it was 'beyond economic repair' and needed replacing. Aviva offered Mr and Mrs V temporary heaters, but they were declined.
- On 5 January 2021 Mr and Mrs V received a parcel labelled as an isolation valve, but in fact containing temporary heaters. Though Aviva had already authorised a payment of £90 for Mr and Mrs V to source their own heaters.
- Under the terms of their cover, Mr and Mrs V were told that they would need to make a £500 contribution towards the installation cost of a new boiler. Mrs V asked what make and model the new boiler would be, but Aviva wasn't able to confirm until the £500 deposit had been paid.
- On 7 January 2021 a surveyor visited Mr and Mrs V's home to carry out an inspection in preparation of a new boiler being installed. He also noted that there would likely be additional work required such as a fitting a new gas run and pump – as the old boiler was 22 years old and the fittings outdated.
- Mr and Mrs V were told the boiler options on 8 January 2021. Mrs V explained that they were unhappy about having to pay a £500 contribution and believed the different engineers who's looked at the boiler had caused the problems and damage.
- On 22 January 2021 Mr and Mrs V informed Aviva that they had arranged for the boiler to be replaced privately. They had also cancelled the HomeServe cover.
- Mr and Mrs V had no heating or hot water between 8 January and 22 January 2021.

Aviva reviewed Mr and Mrs V's complaint and upheld it. It accepted there had been delays and customer service failures (including the loss of the water samples). It made an offer of compensation for £462.50 – being made up of £350 for the service failings and a goodwill payment of £112.50 to reflect what it would have had to pay out if the replacement boiler had been sourced through it.

Mr and Mrs V didn't accept Aviva's offer and referred their complaint to this Service. They asked for the compensation offered to be increased to reflect the distress and inconvenience to them, along with reimbursement of some of the boiler installation costs they incurred.

Once one of our investigators reviewed everything and recommended the complaint shouldn't be upheld. She concluded that Aviva hadn't dealt with Mr and Mrs V's claim well but considered the offer it had made was fair and reasonable overall.

Mr and Mrs V disagreed and responded clarifying a few points. In summary, they said:

- The delay with the boiler was as a result of HomeServe – its customer service was awful.
- There are incomplete records of engineer visits and telephone calls – and the available call recordings should be listened to.

- HomeServe should have noticed and done something about the banging noises sooner. In October they said it wasn't just the fan and would need replacing soon – but not immediately. There's no record of that on their system.
- Photos were taken by engineers but have never been provided.
- There was evidence of a water leak before January 2021.
- The replacement boiler that Aviva was going to arrange for installation only came with a two-year warranty – which is less than standard.
- Aviva made it difficult to cancel the policy and continued to collect premium payments and correspond about the cover after it should have been cancelled.

The investigator considered the additional information but wasn't persuaded to change her mind. As no agreement could be reached, it was requested that the complaint be referred to an ombudsman for a fresh review and to make a 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 considered everything, I've reached much the same conclusion as the investigator – and I'll explain why below.

I should start by saying that I understand this has been a distressing and frustrating matter for Mr and Mrs V. The service provided by HomeServe was not of the standard which Mr and Mrs V were entitled to expect – and I appreciate the impact of this was compounded by Mr V's health and concerns around covid.

Aviva has accepted there were failings in some of the dealings Mrs and Mrs V had with HomeServe – including the delays when the water samples were lost in the post. In view of that, I think the offer it made of £350 is fair and reasonable. In deciding this I've noted:

- The policy was designed to provide home emergency cover and understandably Mr and Mrs V were keen to get the issues resolved quickly.
- On each occasion a call was made to HomeServe, an engineer was made available to attend within a reasonable timeframe. I do understand that Mr V is vulnerable and concerns about the impact of having no heating or hot water – but I haven't seen anything which shows there was an obligation under the policy for more urgent call-out timeframes.
- Whilst there were times when Mr and Mrs V's boiler was not working and they were without heating, I think Aviva acted reasonably in offering temporary heaters, and ultimately providing payment to Mr and Mrs V to source their own heaters.
- It would have been unsettling to receive an unsolicited parcel that was incorrectly labelled and to receive a visit from an engineer without advance warning.
- Some of the interactions between Mr and Mrs V and Aviva have not been fully recorded.

I agree the level of customer service and inconvenience experienced by Mr and Mrs V was poor. Given everything which has happened, I've no reason to doubt what they have said in that regard. I note they've insisted that the telephone calls between it and Aviva are reviewed, but as I already accept their version of events, I don't consider that necessary in this case.

#### Cost of running temporary heaters

Aviva provided temporary heaters (or paid funds to Mr and Mrs V so that they could source their own). In their complaint, they've expressed concern about the cost of running those heaters whilst the boiler wasn't working.

I'm satisfied this point is covered in the policy terms and conditions, and can't say it's an unreasonable provision:

*"If you have no source of heating, two temporary heaters will be delivered to your home... The running cost of these heaters are not covered."*

#### Replacement boiler

I've considered the concerns raised by Mr and Mrs V that the failure of their boiler might be because of the work undertaken by one or more of the engineers called out from HomeServe. I've not seen anything to suggest that and on balance consider it very unlikely. Mr and Mrs V's boiler was 22 years old and had several issues requiring engineer callouts.

I understand Mr and Mrs V were unhappy with the requirement to pay £500 for towards a replacement boiler, but I consider this to have been a clear term of the policy also:

*"5. If upon making a claim your boiler is deemed to be Beyond Economic Repair, or the parts required to repair your boiler are obsolete, we will arrange for HomeServe to source, replace and install a new boiler. However, if the boiler is aged 7 years or over you will be required to pay a contribution of £500 in addition to any excess."*

Given the age of Mr and Mrs V's boiler, it's clear that this term applied, and a £500 contribution was required.

I'm also aware that Mr and Mrs V were dissatisfied that any replacement boiler would only come with a two-year warranty and so considered it would likely be of low quality. Whilst I understand this point, I also note it would have been replacing an old boiler with no warranty – and I cannot reasonably interfere with Aviva's commercial decision about the level of warranty to offer. However, I am satisfied the same terms apply to all HomeServe customers and so I can't say Mr and Mrs V would have been treated unfairly in that regard.

In any event, Mr and Mrs V didn't opt for a replacement boiler through their insurance cover, but instead arranged for the installation of a replacement privately. They were entitled to do that, but Aviva is under no obligation provide recompense for that action. However, I do note that it offered £112.50 as already detailed above.

#### Policy cancellation

Aviva has acknowledged there was an administrative error following Mr and Mrs V requesting cancellation of their policy. In particular, Mrs V recently sent details of a mailing that was sent out by Aviva in error.

The mailing didn't form part of Mr and Mrs V's original complaint to Aviva, but it has since looked into this issue and responded to Mrs V confirming it was a computer-generated letter issued to some previous customers in error. Whilst I understand it must be frustrating for Mr and Mrs V to have received that letter given the ongoing problems, I don't consider it material to the outcome of this complaint and am satisfied Aviva's explanation was sufficient reassurance. So, I don't direct Aviva to do anything more in relation to that issue.

### Summary

I've considered everything and for the reasons set out above I'm satisfied Aviva's offer is fair and reasonable in the circumstances, but also recognises the poor service provided to Mr and Mrs V. I realise there are some specific instances referred in the course of this complaint which I have not mentioned in this decision, but I have considered them and I don't consider them material to the outcome.

I realise Mr and Mrs V are likely to be disappointed with my conclusions, and I understand they were hoping for Aviva to do more. But I must reassure them I've reviewed everything fully and impartially and my conclusions are based upon what I feel is fair and reasonable overall.

### **My final decision**

My final decision is that I do not uphold Mr and Mrs V's complaint against Aviva Insurance Limited.

Whilst I agree that Aviva failed to provide an adequate service to Mr and Mrs V, but I'm satisfied the offer of compensation it has already made is fair and reasonable.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs V and Mr V to accept or reject my decision before 26 April 2022.

Ross Hammond  
**Ombudsman**