

The complaint

Mrs B complains that Aviva Insurance Limited declared her boiler beyond economical repair (BER) whilst handling a claim under her home emergency policy, leaving her without heating or hot water.

What happened

Mrs B's home emergency policy provides for servicing of her boiler. Aviva carried out a service in April 2021. During the service the engineers determined there were several faults with the boiler. They felt it needed to be isolated for safety reasons. Unfortunately, this left Mrs B without heating or hot water. In assessing the faults with the cost of repairs, Aviva confirmed the boiler was BER.

Aviva said it would supply a new boiler, under the terms of its policy, but Mrs B needed to pay for the installation. Mrs B was unhappy that the boiler had been deemed BER and she would have to pay for the installation of a new one. She thought the engineers must have damaged the boiler during the service.

The day after the visit, Aviva sent fan heaters for Mrs B to use while the boiler wasn't working. And a quote for installing a new boiler. She complained about the BER decision and another engineer went to inspect the boiler just over a week later. He supported the decision that the boiler was BER.

Mrs B referred the matter to our service. Our investigator didn't uphold her complaint. She thought Aviva had shown the boiler was BER and had acted in line with its policy terms when offering to provide a boiler but charge for its installation. Our investigator thought it was appropriate that fan heaters had been supplied, and that Aviva had responded in a timely manner.

Mrs B disagreed and asked for an ombudsman to consider her complaint. It has been passed to me to decide.

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 have decided not to uphold Mrs B's complaint. I understand this will be disappointing for her, but I will explain why I think this is fair.

For clarity, issues relating to the installation of the new boiler are subject to a separate complaint. This doesn't form part of my consideration here.

The terms of Mrs B's policy say:

“Beyond Economical Repair (BER) (applies to the boiler only): Upon making a claim, the total cost of parts (including VAT) required to repair the boiler will be determined by us using reputable suppliers. If this cost exceeds 85% of the manufacturer's current retail price (or if

this is not available, the average current retail price available through leading UK suppliers) for a boiler of the same or similar make and model to your boiler or the then current version of your boiler, it will be deemed to be BER.”

And:

“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.”

Also:

“Temporary heaters: We will deliver two temporary electrical heaters to your home, in the event that we are unable to attend within the same day or next day of your claim being raised. The heaters will not need to be returned to us. Any and all costs relating to the use of the heaters is not covered by us or the underwriter. Please bear in mind that these heaters are only temporary and should not be used as a permanent source of heating.”

Aviva has supplied a report that shows the faults found with the boiler. This includes a leaking heat engine, a leaking pump manifold caused by a crack in the housing, a leak with the automatic air vent and leaks on the boiler isolation valves. I note the engineer didn't think these faults were caused as a result of Aviva's attempts to service the boiler.

I'm not a qualified boiler engineer, so I must rely on the expert opinion provided. On balance I think it's reasonable to accept Aviva's view that there were several existing faults at the time of the service. And this meant the boiler had to be isolated and was correctly considered BER. I haven't seen any evidence that indicates faults were caused by the engineers who attended.

From the records provided Aviva sent two fan heaters for Mrs B to use the day after the BER decision was made. I think this was fair. It's not entirely clear from the terms what happens in relation to provision of heaters when the boiler is determined BER. But as Mrs B had no heating, I think this was reasonable.

I understand Aviva has installed a new boiler for Mrs B. But she isn't happy with the cost involved. The terms require a new boiler to be supplied without charge, but the cost of the installation is payable. I note the cost of the installation was £1,368. Mrs B hasn't provided other quotes as a comparison. However, from looking online, I have obtained quotes for installation of a combi-boiler ranging from £1,860 to £2,600 in Mrs B's local area. Taking off the cost of the boiler – these quotes appear similar to that quoted by Aviva for the installation.

It must have been distressing for Mrs B to learn that her boiler was faulty and required replacing. This meant a period without heating and hot water, but also the significant cost involved to install a new one. Mrs B explains that she has health concerns and both she and her partner are elderly, meaning they have really struggled without a working boiler. I don't doubt this, and I sympathise with the predicament they found themselves in.

That said, Aviva isn't at fault for the boiler needing to be replaced. The evidence shows it provided a source of alternative heating in the fan heaters, and a quote to install a new boiler in a timely manner. A second opinion was also provided to confirm whether the boiler was indeed BER. I think this was also arranged in a timely manner.

Having considered all of this, I think Aviva was fair in relying on its policy terms and determining the boiler to be BER. It behaved reasonably when providing a quote for

installation and supplying alternative heating. I also think it responded appropriately to Mrs B's concern that the engineers had damaged the boiler. So, I can't reasonably ask it to do more to resolve her complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 7 December 2021.

Mike Waldron
Ombudsman