

The complaint

Mrs B is unhappy with how Aviva Insurance Limited handled a claim she made on her 'Landlord Gas Central Heating' (home emergency) insurance policy.

Aviva are the underwriters of this insurance policy. In my decision, any reference to Aviva includes the actions of its appointed agents – such as engineers arranging or carrying out visits or repairs on their behalf.

What happened

The background to this complaint is well known to both Mrs B and Aviva. In my decision, I'll focus mainly on giving the reasons for reaching the outcome that I have.

Mrs B had a home emergency policy with Aviva for a property she lets to tenants. She had a problem with the boiler and tried to raise a claim against her policy. A number of appointments were made. But due to various different reasons, the required repairs/remedial actions didn't happen when expected. Eventually the boiler was deemed beyond economic repair ('BER').

Mrs B raised a complaint with Aviva as she was unhappy. Aviva offered Mrs B £350 compensation for any inconvenience caused by how they handled things. Mrs B remained unhappy and referred her complaint to our Service for an independent review. Our investigator considered the complaint but didn't recommend that Aviva needed to do anything further. Mrs B requested a final decision – so the complaint has been passed to me.

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.

Although a number of issues have been raised, this decision only addresses those issues I consider to be materially relevant to this complaint. This isn't meant as a discourtesy to either party – it simply reflects the informal nature of our Service.

What my decision won't address

For the reasons our Investigator has explained, my decision also won't make any findings on the previous boiler service as that is separate to the regulated contract of insurance that Mrs B made this claim under.

I also won't be making any awards for any distress or inconvenience experienced by Mrs B's tenants in the property where this boiler was located. This is because Mrs B was the customer of Aviva here and is the eligible complainant. Our Service can't make awards to third parties who aren't an eligible complainant.

Did Aviva fairly consider this claim – inline with the policy terms?

Based on the evidence, I'm satisfied that Aviva considered the evidence about the condition of the boiler which showed it was beyond economic repair. Under the relevant terms of the policy (as the boiler was more than 7 years old) Aviva would source and replace the boiler, but any installation costs would be at Mrs B's expense.

I've noted that from the total costs, Aviva have contributed £1,199 (BER contribution and customer loyalty bonus). I find this to be fair and reasonable. Installation and associated costs – such as scaffolding being needed - are beyond the control of Aviva. I've noted in her complaint form, Mrs B has referred to a longer guarantee being provided by an independent engineer instead of the two year guarantee offered by the Aviva quote. It's not within my remit to direct Aviva in this regard or comments on features such as the length of guarantees offered. Ultimately, Mrs B was able to have the work done for a lower cost – with a longer guarantee, through alternative means.

How have Aviva treated Mrs B overall?

There's no doubt that there were delays here that have contributed to the time taken overall. And I've also noted that Mrs B had to be quite proactive in order to find out updates about what was happening with her claim. But Aviva have recognised that they could've handled things better and I find their offer of £350 (in addition to the contribution detailed above) is fair, reasonable and proportionate - relative to the impact of their actions on Mrs B.

Mrs B has commented in detail about the impact of Aviva's actions on her tenants. But as explained, the contract here was between Aviva and Mrs B. I won't be considering any impact on Mrs B's tenants.

Mrs B told us she decided to not pass on a rent increase to her tenants as a result of this experience. But that was her own decision to make and I don't find it to be a direct consequential loss that Aviva are responsible for or that it arose because of their actions.

My final decision

I don't 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 26 December 2022.

Daniel O'Shea
Ombudsman