

The complaint

Mr C complains about how Aviva Insurance Limited (Aviva) handled a claim for a problem with his boiler under his home emergency policy.

References to Aviva include their agents who provide services and deal with claims under the policy.

This decision covers Mr C's complaint under the home emergency section of his home insurance policy, the insurer of which was Aviva.

What happened

In late December 2021, Mr C had a problem with his boiler, leaving him without heating. Mr C thought the issue was with a fan and found a source for a reconditioned fan. He contacted Aviva, who sent two engineers to inspect the boiler later that day. They confirmed the fan needed replacing but told Mr C they were only able to source parts from Aviva's approved suppliers. And the part was probably obsolete. But this couldn't be confirmed until the spare parts team (and approved suppliers) returned after the new year break. Mr C was told a reconditioned fan would be unlikely to be acceptable to Aviva, as they'd had past issues with the supplier Mr C contacted.

Mr C was then told by Aviva the part was obsolete, and a reconditioned fan wouldn't be acceptable. So, the boiler was deemed to be beyond economical repair. Under the terms of the policy, Aviva issued a payment of £500 towards a replacement boiler.

Mr C was unhappy at Aviva's decision and being left without heating for a week while they reached their decision, so he complained. His complaint was about the time taken to determine his boiler was beyond economical repair; that Aviva wouldn't consider using a fan from the supplier Mr C had contacted; and he had been told incorrect information about his policy (in the circumstances where a boiler was repaired through a non-approved supplier).

Aviva upheld the complaint in part. In their final response, they apologised for the length of time it took to deem the boiler beyond economical repair. Regarding their refusal to source a fan from the supplier Mr C found, they said the fan was a reconditioned unit and at their discretion which suppliers they sourced parts. They also referred to the terms and conditions of the policy that stated they would not fit parts supplied by the policyholder where the claim related to the gas supply or central heating system (which would include third party suppliers referred to Aviva by the policyholder). In recognition of their partial upholding of the complaint, Aviva offered Mr C £100 in compensation.

Mr C then complained to this service. He was unhappy at being left for a week without heating and that Aviva wouldn't consider fitting a reconditioned fan he'd located. Had he been told sooner Aviva wouldn't fit a reconditioned fan, he'd have bought the fan and had it fitted. He had lost earnings from the incident as well as suffering considerable stress from what had happened, and the time taken by Aviva to reach their decision. He wanted compensation for his loss of earnings in addition to the £100 Aviva offered.

Our investigator didn't uphold the complaint, concluding Aviva acted fairly and reasonably. He thought the policy made it clear alternative parts wouldn't be fitted and Mr C had been told this by Aviva the day following the visit of their engineers. As Mr C was aware of this, our investigator thought he could have gone to work as planned, so Aviva didn't need to compensate him for any loss of earnings. In deeming the boiler beyond economical repair and offering £500 towards a replacement, Aviva acted in line with the policy terms and conditions. The investigator also thought the £100 compensation offered by Aviva for delays in reaching their decision was fair.

Mr C disagreed with the investigator's conclusions and requested an ombudsman review the complaint. He said he'd been told by Aviva they'd look to source the part if they could, and it wasn't until after the new year break he was told his boiler was beyond economical repair. Regarding his loss of earnings, Mr C said the uncertainty over whether Aviva might have been able to source a replacement fan, together with the circumstances of his property and his work starting in a different location, meant he had to remain at his property (so wasn't able to start work as planned).

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.

My role here is to decide whether Aviva has acted fairly towards Mr C.

There are several elements to Mr C's complaint, but I've concentrated on what I think are the two main elements. First, the time taken by Aviva to confirm they couldn't fit a replacement fan and (consequently) they deemed Mr B's boiler to be beyond economical repair. This left him without a working boiler (and without heating) for a week. And Aviva's refusal to source a replacement fan from the supplier contacted by Mr C. Second, Mr C's loss of earnings from having to delay his taking up work due to having to wait for Aviva's decision.

While I don't think it a central issue in the complaint, I've also considered Aviva offering £500 towards the cost of a replacement boiler. The policy terms and conditions are clear on this point, under the definition of "*Beyond Economical Repair*" it states:

"On assessment of your main heating system, our engineer may declare it to be 'beyond economical repair'...We will also declare the main heating system as 'beyond economical repair' if we are unable to obtain the required manufacturer's spare parts from reputable suppliers to complete the repair, within 28 days.

If we declare your main heating system as beyond economical repair, we will contribute £500 towards a replacement...."

Given this, I've concluded Aviva acted in line with the policy terms and conditions in offering £500 to Mr C. I've also noted the reference to '*being unable to obtain the required manufacturer's spare parts from reputable suppliers*', which I'll come back to in considering the first main issue.

On this issue, the time taken to confirm his boiler being beyond economical repair, and not sourcing a replacement fan from the supplier contacted by Mr C, I've considered the timeline of events, together with the evidence and information available, both from Mr C and Aviva. Having done so, I've concluded that there was a delay in Aviva reaching their decision to deem Mr C's boiler as beyond economical repair (because they weren't able to source a replacement fan from their approved suppliers). Aviva acknowledged this in their final response and offered £100 compensation. I've considered the delay and the impact on Mr C, including being without a working boiler and the consequent lack of heating.

I think Aviva indicating the part was likely to be obsolete the day after the boiler failed – but saying they would try to source a replacement – wasn't unreasonable in the circumstances. But the time taken to confirm they couldn't source a replacement (or use a replacement from Mr C's supplier) would have had an impact on Mr C, being without a working boiler and heating. In the circumstances, I think £100 compensation is fair and reasonable.

The other aspect of this issue is Aviva declining to source a replacement fan from the supplier contacted by Mr C. Aviva said they wouldn't consider this as they'd had issues with the supplier in the past (as well as thinking the replacement fan would be a reconditioned unit). Having considered this issue, I've concluded this is an operational decision for Aviva to make, whether to source a replacement fan through their network of suppliers – the reference to 'obtaining spare parts from reputable suppliers' in the policy terms and conditions. So, while I can understand Mr C's view that a replacement fan could have been sourced from the supplier he contacted, it isn't something I can conclude Aviva should have done, and therefore have acted unfairly or unreasonably.

I've also noted the policy terms and conditions include, under a heading of "*Home emergency general exclusions*" the following statement:

"P. Any parts not supplied and chosen by us...Our engineer will not fit alternative parts supplied by you where the claim relates to the gas supply or the central heating system."

I think this makes it clear under the policy that Aviva wouldn't have fitted a replacement fan sourced through the supplier contacted by Mr C. So, I've concluded Aviva didn't act unfairly or unreasonably in declining to source (or fit) the replacement fan from the supplier.

The second main issue in Mr C's complaint is his loss of earnings from not being able to take up a work opportunity, to begin at the start of the new year. Mr C says the uncertainty about whether Aviva could source a replacement fan, together with the circumstances at his property (and the distant location of the work) meant he couldn't take up the opportunity from the date he had planned.

I've considered what Mr C has said, but having done so, I've concluded any loss of earnings from being unable to begin the work as he'd planned can't reasonably be held to be the responsibility of Aviva, so I won't be asking them to reimburse Mr C. I know this will be disappointing to Mr C, so I'll explain why I've come to this conclusion.

Looking at the sequence of events, while Mr C was initially told by Aviva the part was obsolete, they would seek to check with their suppliers if one could be sourced. So, while there was a possibility of the part being sourced, there was no guarantee it could. And Aviva subsequently confirmed this (and the boiler being deemed beyond economical repair). While Mr C says he wouldn't have been able to take up the work opportunity on the date he was offered, because of the uncertainty, as the property had a second occupant, I don't think this would have precluded Mr C from taking up his opportunity. And given my conclusion it wasn't unreasonable for Aviva to attempt to source a fan from their supplier network (rather than from the supplier contacted by Mr C) I can't conclude they should be responsible for Mr C's decision not to take up his work opportunity on the date he was originally offered.

My final decision

For the reasons set out above, my final decision is that I don't uphold Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or

reject my decision before 6 April 2023.

Paul King
Ombudsman