

## The complaint

Mr S is unhappy with the service provided by Aviva Insurance Limited (Aviva) following a claim for damage to his boiler.

## What happened

Aviva are the underwriters of this policy. Part of this complaint concerns the actions of the agent, company H. As Aviva have accepted they are accountable for the actions of company H, in my decision, any reference to company H includes the actions of Aviva.

Mr S held a home insurance policy with Aviva which included home emergency cover. Mr S is the landlord of the property that this insurance covered. Mr S' letting agent dealt with company H on behalf of Mr S for parts of his claim. For ease of reference I have referred to Mr S throughout this final decision.

The boiler coverage section of Mr S' insurance policy explained '*sludge/scale/rust within the system or damage caused by other chemical composition of water*' would not be covered.

On 29 April 2022 Mr S contacted company H as he was having problems with his boiler overheating. On 1 May company H arranged for an engineer to attend to Mr S' property to find out the cause of the problem. It was recorded '*Boiler overheating due to airlock. Cleared airlock by pump. Reset overheat stat. Tested and left working.*'

Mr S thought the problem had been resolved but he called again on 3 May to report the same issue. An engineer attended on the same day but Mr S continued to experience problems. On 6 May after continuing to experience issues, it was agreed that company H would ask their engineer to '*Recommend completing water sample to confirm a power flush is required.*' It was agreed with the engineer that this would be done on 10 May.

On 17 May company H were contacted as no engineer had attended as agreed on 10 May. On the same day Mr S was told '*awaiting water sample results and advised if power flush needed, this is not covered, however we can offer quote for this via [company H] Repairs*'.

On 18 May an engineer did attend to Mr S' property and a water sample was taken by the engineer and sent to company F.

On 20 May Mr S expressed his dissatisfaction with the time taken to resolve the issues with his boiler. Company H continued to chase company F for an update on the result of the water sample.

On 26 May the water sample results were sent to company H from company F. The results recorded that there was a '*risk of failure from debris.*' The case notes recorded '*I have spoken to [agent] at the letting agency to advise the heating element will be suspended... Also advised if they decide to carry out the system cleanse independently they can forward the evidence as per the invoice through to customer enquiries to allow us to re-instate the heating element back on the policy. [Agent] was o.k. with this.*'

On 31 May the power flush procedure was completed by company H's approved repairer at a cost of £675 to Mr S.

On 15 June Mr S advised that the power flush hadn't worked. Mr S was unhappy with the quality of work completed by company H's repair team. A second power flush was carried out on 28 June, again at a cost of £675 to Mr S, but Mr S continued to experience issues with his boiler not providing heating or hot water. Mr S complained to company H about their handling of his claim, and the delay in getting the problem with his boiler sorted.

Company H sent their engineers to further investigate. On 16 July company H's notes recorded '*...the engineer has established that there is a blockage which needs to be cut out and will cost £922.02...*'

Company H and Mr S continued to exchange emails about Mr S' disappointment with company H's handling of his claim. Mr S was unhappy with the cost of two power flushes he'd already paid for, and being asked to pay an additional £922.02 for further repairs. Company H told Mr S that they would refund the cost of the second power flush plus interest on this amount, and pay Mr S £150 compensation in recognition of their poor handling of his claim. Mr S wasn't happy with company H's offer.

On 17 August the blockage causing the issues with Mr S' boiler was repaired at a cost of £922.02 to Mr S. It was recorded '*Found anti-gravity valve on return. Removed and re-joined pipework. Also replaced pump head as running weak [weak]. All working ok now. Boiler not overheating or pumping over. Complete.*'

Mr S remained unhappy with the handling of his claim and compensation offered, and so referred his complaint to the Financial Ombudsman Service.

The investigator found that the offer to refund the cost of one of the power flush procedures was fair. The investigator didn't think company H should pay for the cost of the other repairs as these are not covered by the policy. The investigator found Mr S should be awarded £250 compensation in total for company H's poor handling of the claim, and the impact of this on Mr S (so an additional £100 to the amount already offered).

Mr S rejected these findings saying '*...£250 is not a fair compensation, with [company H] the amount of distress, sleeplessness, time wastage I gone through in 3 months of dealing with this claim is unbearable. I would like [company H] to pay £675 for power flush and £2500 for unnecessary distress and sleeplessness caused secondary to their poor service... [company H] has been fined by the FCA for poor service, but still they haven't learned their lessons.*'

As the complaint couldn't be resolved it has been passed to me for 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.

I've focused my comments on what I think is relevant. If I haven't commented on any specific point it's because I don't believe it has affected what I think is the right outcome.

I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that's happened or been argued is set out above, I've read and considered everything that's been provided.

Mr S feels strongly that company H have not dealt with his claim properly. I thank Mr S for taking the time to explain everything that's happened, and the impact on him, in dealing with company H in getting his boiler fixed. I understand it has been a difficult time for Mr S.

#### *Reimbursement of repair costs*

It is an insurer's duty to ensure it progresses a claim promptly and fairly, and in line with the policy terms. Mr S feels strongly that company H should pay for the repair work required to fix his boiler. But I can't ask company H to pay for any costs unless I can see evidence of the claim terms being met.

The boiler and heating system section of Mr S' insurance policy explained '*sludge/scale/rust within the system or damage caused by other chemical composition of water*' would not be covered.

I've considered the issues with Mr S' boiler and can see that it was agreed with Mr S on 17 May 2022 that '*if power flush needed, this is not covered, however we can offer quote for this via [company H] Repairs*'. I'm satisfied that in line with the policy terms, Mr S was reasonably made aware that the power flush procedure would be something that the policy doesn't cover, and so Mr S would have to pay for this himself.

The first power flush procedure didn't resolve the issues with Mr S' boiler. So a second power flush procedure was completed. Although this work isn't covered by Mr S' policy, I've seen that company H have offered to cover the cost of the second power flush, and interest on this amount. Company H have explained that they '*failed to carry out a power flush correctly*' (referring to the first power flush), and the evidence supports this. I think it's reasonable for company H to reimburse Mr S this cost. So I'll be directing company H to pay this cost plus interest as part of the overall compensation for Mr S' complaint.

Mr S has also complained about the cost of the pipework that was replaced to fix his boiler at a cost of £922.02 to be reimbursed to him. Mr S has explained how his floorboards were not properly fixed when the repair work to the pipes was carried out, and they had to be repaired separately at a cost of £300 to him. Mr S has asked for company H to also pay for these costs.

Having reviewed the policy terms I'm satisfied that these repairs were required because of the build-up of '*debris*' as recorded in the water sample report completed by company F. As this blockage isn't covered by the policy, I don't think it's reasonable to ask company H to cover the cost of the pipework repairs, and floorboards. So I won't be directing that company H take any further action in respect of these costs.

#### *Compensation for impact on Mr S*

Mr S would like company H to pay '*£2500 for unnecessary distress and sleeplessness caused secondary to their poor service and lies*.' The investigator recommended £250 compensation for what went wrong with company H's handling of the claim, and the impact on Mr S.

Having reviewed the evidence I agree with the investigator's findings on this complaint for broadly the same reasons. I can understand this is likely to come as a disappointment to Mr S but I hope my findings go some way in explaining why I've reached this decision.

It's not disputed that company H made errors when dealing with Mr S' claim. Mr S first notified company H about issues with getting access to heating and hot water on 29 April 2022. The final repair work which resulted in Mr S' boiler being fully functional wasn't completed until 17 August. It took over three and a half months for company H to provide a

resolution that fully resolved the issues with Mr S' boiler. I think the level of service provided here was poor.

I've seen that Mr S made several phone calls to company H, asking for an update on his claim, and advising that an engineer hadn't turned up when they said they would. Because of these delays, Mr S was left continually calling company H, and waiting for a resolution for his boiler. I think these calls would've left Mr S feeling frustrated and inconvenienced.

Despite Mr S making it clear that the issue with no access to hot water and heating needed to be resolved quickly, there were long delays between action on the claim. And things often didn't progress until Mr S chased for an update. Company H were awaiting instruction from third parties for some of these delays, but Mr S was still left without any resolution to the problems with his boiler.

Mr S says '[company H] *has been fined by the FCA for poor service, but still they haven't learned their lessons.*' It is evident that Mr S has suffered upset and inconvenience because of what's happened with his claim. But any award we make isn't to punish company H. It's to recognise the individual impact on Mr S because of what went wrong.

Company H could've provided a better level of service. Mr S should've been kept better informed about the progress of his claim, and company H should've had better oversight over the claim and the actions of any third parties instructed. Because this didn't happen, Mr S was left chasing company H for updates, and the issues with his boiler went on for longer than they should've.

When thinking about the impact on Mr S because of the delay in dealing with his claim, and difficulty in getting the problems with his boiler resolved in good time, I think the £250 recommended by the investigator is fair and in line with what we'd recommend in the circumstances.

This amount recognises that company H could've done better. But also that the impact of their actions didn't leave Mr S personally without access to hot water or heating. This amount is in recognition of the inconvenience caused to Mr S by the delays on his claim, and the repeated calls that could've been avoided if the claim had been better handled.

### **Putting things right**

Aviva is directed to do the following:

- Aviva must refund the cost of one of the power flush procedures costing £675. Aviva must pay 8% per annum simple interest from the date this payment was made by Mr S to the date the claim is settled\*.
- pay £250

\*If Aviva considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr S how much it's taken off. It should also give Mr S a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

### **My final decision**

For the reasons provided I uphold this complaint. Aviva Insurance Limited must follow my directions above.

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

reject my decision before 5 April 2023.

Neeta Karelia  
**Ombudsman**