

## **complaint**

Mr A complains that Aviva Insurance Limited declined to pay a claim he made under his home emergency insurance policy.

All references to Aviva include its agents.

## **background**

Mr A owned a property he rented out. He took out a landlord insurance policy with Aviva which includes home emergency cover.

A month or so after Mr A took out the policy, he started having problems with the boiler. He made a claim, and Aviva's engineers attended and made a number of repairs over the following weeks. But Mr A's boiler failed again, and he made a further claim. Aviva's engineers inspected the boiler and said it was 'beyond economical repair' (BER) and declined to pay to have it fixed. Aviva also cancelled Mr A's policy.

Mr A complained. He was unhappy the repairs had left him with a boiler that didn't work and which he'd have to pay to replace. He said he'd been sold a policy that was of no use to him.

Our investigator didn't think Aviva had done anything wrong. He said the policy allowed Aviva to stop paying further claims once the boiler was BER. And that Aviva could fairly cancel the policy as Mr A had only had it for a short time.

Mr A disagreed and asked for an ombudsman to make a decision. He said the poor quality of the repairs Aviva did contributed to his boiler failing.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I'm sorry to disappoint Mr A but I agree with our investigator that Aviva has treated him fairly. I'll explain why.

Firstly, I'd like to clarify that my decision is only concerned with the way Aviva handled Mr A's claims as his insurer. Mr A bought the policy through a broker so Aviva isn't responsible for the way the policy was sold. So I've not considered the sale of the policy here.

Mr A's policy covered him for various home emergency situations and breakdowns in his tenanted property. In particular, for central heating the policy covered "*A leak within or breakdown of your boiler and/or system.*" The policy goes on to say that the claim will be dealt with by a suitably qualified engineer who will repair or replace the relevant parts of the boiler or system.

But the policy also says it won't cover repair to a boiler which is BER. It defines BER in the following way:

*"Upon making a claim, the total costs of parts (including VAT) required to repair the boiler will be determined by us using reputable suppliers. If this cost exceeds 85% of the [...] price [...] of your boiler, it will be deemed to be beyond economical repair."*

I've considered the engineer's report and I'm satisfied that Mr A's boiler was BER at this point. So, under the terms of the policy, Aviva didn't have to repair the boiler.

Under some circumstances, the policy says Aviva may replace a boiler that is BER. But if the boiler is deemed to be BER within the first six months of cover, Aviva won't pay to replace it and the policy will be cancelled.

As Mr A's boiler was deemed to be BER within two months of the policy starting, I'm satisfied that Aviva didn't have to replace the boiler, and was entitled to cancel his policy. Mr A has complained that Aviva hasn't refunded his premiums after cancelling the policy. But as Mr A made successful claims on his policy, which incidentally cost more than his annual premium, I don't think it was unreasonable for Aviva not to have paid him back his premium.

I note Mr A's comments about the quality of work carried out by Aviva's chosen engineers. But I've not been provided with any evidence that the work wasn't of a reasonable standard. And I'm mindful that, while new faults occurred after some of the work carried out, Mr A's boiler was working again for a time after Aviva's engineers had repaired it.

In summary, Mr A had a policy towards which he'd paid around £50 in premiums. After a number of claims, Aviva carried out around £500 worth of repairs to Mr A's boiler, using a suitably accredited engineer. Once the boiler was deemed BER, Aviva declined to pay any more claims and cancelled the policy.

Taking everything into account, I don't think Aviva treated Mr A unfairly in the way it handled his claim. I appreciate the failure of his boiler has caused problems for Mr A and his tenants. But I can't fairly say that's as a result of anything Aviva did wrong.

### **my final decision**

For the reasons I've given I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 5 July 2017..

Luke Gordon  
**ombudsman**