

## **The complaint**

Mrs K complains about Aviva Insurance Limited's (Aviva) handling of her boiler health check, under her home emergency policy.

## **What happened**

Mrs K took out a policy with Aviva that covered her boiler and heating system. Prior to the boiler fully coming on to cover, a term of the policy was that she had agreed to having a boiler health review. The policy also stipulated that Aviva would have to carry out the review within 90 days of the policy's inception.

Mrs K said that for several weeks she tried to book a boiler health check (BHC) to no avail. Aviva eventually booked a check to take place on 27 January 2023. Engineers attended Mrs K's home. Mrs K explained that during the review, the engineer's dismantled her boiler, put it back, told her that the health check had passed, but when they checked whether the boiler was one that could be covered under the policy, found that it was excluded.

Because of this, Aviva told Mrs K that there was no cover available for the boiler. Mrs K was unhappy by this, especially as she believed that the engineers had possibly tampered with her boiler to cause problems with it in the future, so she complained to Aviva.

In its final response, Aviva accepted that its engineer's ought to have checked whether Mrs K's boiler was on its exclusion list, before working on it. As Aviva was unable to provide cover for the boiler, it amended Mrs K's policy, applied a discount to the premiums to reflect that the boiler was no longer covered. And it paid Mrs K £100 compensation for the trouble and upset caused, as she had to chase to book the BHC. Aviva also said that Mrs K's boiler wasn't dismantled as a BHC is a visual inspection, so there would be no disassembly of her boiler.

Mrs K remained unhappy by this outcome, as she wanted all the premiums to be refunded, which was around £360. She believed that Aviva ought to have known that her boiler wasn't eligible and shouldn't have dismantled her boiler. As she had been given her referral rights, she referred a complaint to our service.

One of our investigators considered the complaint and thought it should be upheld. She said that there was a delay in Aviva attending to carry out the BHC and had there not been, Mrs K would have been able to cancel the policy, within the 28-day time frame, and obtain a full refund of the premium. She recommended that Aviva refund the premium that Mrs K had paid.

She also recommended that Aviva increase the amount of compensation it offered from £100 to £200, given the loss of expectation that Mrs K had suffered from. And that, Aviva ought to have checked whether the boiler was eligible, as this error caused Mrs K a significant amount of inconvenience and distress.

Both parties didn't accept the view.

Mrs K said that a boiler service was carried out at the same time as the BHC. And as such Aviva should have given her a certificate, which wasn't done. She said if Aviva wasn't to give her the certificate, then it should refund the cost of the service. She reiterated that the boiler wasn't on Aviva's exclusion list. She said that she was subjected to a lot of stress as a result of the incident. And she said that her boiler was now intermittently working.

Aviva confirmed that Mrs K's boiler wasn't 'stripped down', as a BHC is a visual inspection. It also said that under the policy terms permitted that a BHC take place within 90 days of inception of the policy. The BHC took place 47 days from inception, so well within the timeframe. It therefore disputed that Mrs K was at liberty to cancel her policy and obtain a full refund. So, it said it wasn't fair for it to refund all the premiums paid, especially as it had applied a large discount to Mrs K's policy, that accounted for the loss of boiler cover.

Ultimately, Aviva accepted to increase the compensation amount and to refund the premiums Mrs K paid. But reiterated the above points, in which it said that it had fairly applied the policy terms to Mrs K's claim. It said that it only accepted the view, in order to avoid an ombudsman's decision.

Mrs K maintained that she didn't accept the view and the complaint was referred for an ombudsman's 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 considered the complaint, and I thought the complaint should be upheld. I issued a provisional decision on 21 December 2023 and asked both parties to send me anything else by 18 January 2024. In my provisional decision I said:

*I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of the complaint.*

*Having done so, I intend not to uphold this complaint, I understand that this might be a disappointment to Mrs K, but I hope my findings go some way in explaining why I've reached this decision.*

*I've considered all the evidence and points raised by both parties and I think it would be helpful to review the policy terms and conditions. As this was the contract, agreed by both parties.*

*I should highlight that Mrs K had obtained cover not only for her boiler, but also for her heating system, so the premium that she would've had to pay included both elements of cover.*

*The policy stipulated that before the boiler could have a claim completed on it, a BHC had to be carried out. Both parties are aware of the difficulties that Mrs K experienced in trying to secure a booking for the BHC to be carried out. I understand how frustrating this would've been for Mrs K. But, having reviewed the policy terms and conditions, although Mrs K was stressed as she felt that her boiler wasn't covered. The policy stated: 'If you need to make a claim for your boiler and/or heating system before we have checked your boiler, we will complete the BHC at the same time we come out to assess the problem'. So, it seems that*

*Mrs K's boiler would've been able to make a claim and at the same time a BHC would've taken place.*

*The policy further states that had the BHC failed, then the situation that Mrs K found herself in, regarding the boiler, would be exactly the same. That is, that the boiler would be removed from cover and Mrs K's premiums would be adjusted to reflect this. As well as Mrs K receiving a discount on her premiums, to reflect that the boiler was no longer on cover.*

*One of the points that Mrs K raised was that Aviva ought to have informed her much sooner that her boiler was excluded from cover, rather than its engineers dismantling her boiler, before telling her that it was excluded.*

*I asked Aviva about this and whether it was necessary for its engineers to dismantle the boiler. It said that at no time did the engineers strip down the boiler. The BHC (as per the policy terms and conditions) in addition to the engineer's notes, indicated that a visual inspection only took place. On balance, I'm persuaded that a visual inspection took place, rather than Mrs K's boiler being dismantled.*

*However, I do think that Aviva ought to have been able to have told Mrs K much sooner that her boiler wasn't eligible.*

*I've next considered whether it's fair that Aviva refund all the premiums paid and increase the compensation to £200.*

*Aviva accepted that the time that Mrs K spent trying to secure an appointment for the BHC, wasn't acceptable. But highlighted that the health check took place within 47 days, from the inception of the policy.*

*I've had a look at the policy to see what both parties agreed to. The policy provides that Aviva has up to 90 days from the policy inception, to carry out a BHC. It's clear that although there was a delay and Mrs K had to chase to book the BHC, Aviva complied with the policy terms and carried out the BHC within the 90-day timeframe. Accordingly, I don't think it failed to comply with the policy terms. However, I do agree that Mrs K had to chase to secure an appointment.*

*I also think that Mrs K wasn't disadvantaged as under the policy, her boiler was still covered, despite the BHC not taking place sooner. I can't see that there was any term or condition in the policy that stated that the BHC had to take place within 28 days. And I think it was still open to Mrs K to cancel the policy if she wished within 28 days. I say this, as she had to chase Aviva for the booking and could've cancelled on this basis, given the inconvenience this caused. In any event, Aviva offered £100 compensation for the problems Mrs K experienced in trying to book a BHC.*

*I've carefully considered whether this is fair in the circumstances, and I think it is. As I've mentioned, Mrs K's boiler was on cover from inception, so if she had made a claim, Aviva would have carried out the BHC before dealing with the claim, which is highlighted in the policy. I have reviewed the £100 compensation in line with our strict guidelines on compensation and I think the amount paid, is reasonable and in line with our guidelines. So, I don't intend to ask Aviva to increase this further. And I don't intend to ask it to reimburse all premiums paid, given that Mrs K's premiums were discounted as a result of the boiler not being eligible.*

*I understand that my provisional findings are likely to be a disappointment to Mrs K, but I don't think that Aviva have been unreasonable to apply the policy terms and conditions,*

*when it handled her BHC. I will of course assess any additional evidence that Mrs K might wish me to review further. But for now, I intend not to ask Aviva to do anything further here.*

Responses to my provisional decision

Aviva had nothing further to add to the provisional decision.

Mrs K maintained that she was told that she wouldn't be covered until a BHC had been carried out. She produced a copy of part of a chat she had with the Aviva agents.

I've carefully considered what Mrs K has said and the copy of part of the chat that she sent. I don't think that the chat has changed my opinion and I will explain why.

At the beginning of the chat, Mrs K asks the question as follows:

*'My system works fine at the moment, but what if it develops a fault while I'm waiting for Homeserve to get an appointment?'*

The agent replies as follows:

*'If god forbid, you develop an issue before the boiler health check, When you get in touch with us we will move the appointment forward as a matter of priority and come out and assess there and then.'*

Having reviewed the policy terms and conditions, it mentions that a BHC will need to be carried out before an issue with the boiler is dealt with. It provides that the BHC must be conducted within 90 days. Also, the BHC must take place before any issue is investigated. So, the agent was correct in informing Mrs K that a BHC would be carried out before any issue is investigated, which is in line with the policy terms and conditions.

I have asked Aviva whether, Mrs K's boiler would've been covered had she had an issue with it. Not only did it confirm that the BHC would have been expedited, as per the policy terms and conditions, but it also said it would've allowed Mrs K to make a claim and before that issue was resolved a BHC would be carried out.

Aviva accepted that there was a delay and that Mrs K experienced problems with booking a BHC. For those errors, it offered Mrs K £100 compensation for the trouble and upset caused. Having reviewed our services guidelines on compensation awards, I think that the amount paid is in line with those guidelines and is fair and reasonable. So, I won't ask Aviva to increase this amount further.

I understand that my findings are likely to be a disappointment to Mrs K, but I don't think that Aviva have been unreasonable to apply the policy terms and conditions, when it handled her BHC. Consequently, I won't to ask Aviva to do anything further here.

### **My final decision**

For the reasons given, I won't uphold Mrs K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 16 February 2024.

Ayisha Savage

**Ombudsman**