

The complaint

Mr N complains about Aviva Insurance Limited's (Aviva) poor service following a claim under his home emergency policy.

What happened

Mr N contacted Aviva when a hot water pipe burst at his home. Mr N explained that he found it difficult to get through to Aviva on the phone lines and eventually had to get a local engineer to come to his home and carry out a temporary repair. The engineer cut off the pipe and put blanking ends to prevent further water damage. Mr N had to pay £180 for this.

Mr N said that following this, he contacted Aviva several times to get an engineer to attend to deal with the emergency. He said that appointments were made and cancelled at short notice. And that there had been around five appointments made, to no avail. He and a neighbour then carried out the repair themselves, given the difficulty he experienced in trying to get an engineer from Aviva.

Mr N complained to Aviva, not least because of the failed appointments, but also because he wanted reimbursement of the emergency engineer costs that he had to pay. And he complained about the cost of the policy that he had with Aviva, questioning why he paid significantly more for his policy than a new customer (he had been a customer for several years).

In its final response, Aviva accepted that there had been service issues. But said that there had been two failed appointments. It agreed that Mr N had experienced difficulties in contacting them, due to the busy period of the year and availability issues. It offered and paid £115 compensation for the trouble and upset caused. It also reimbursed (with interest) the £180 that Mr N paid for the emergency contractor he used.

Mr N was given his referral rights and as he remained unhappy with the outcome, he referred a complaint to our service. One of our investigators considered the complaint and thought it should be upheld.

Essentially, he recommended that Aviva increase its offer of compensation by a further £85 (making a total of £200), as he said that it had failed to compensate for the cancelled appointments. He said that there were three appointments that didn't go ahead not five, and that Aviva was responsible for two of those appointments. He said that Mr N could've found an alternative provider if he wasn't happy with the increased policy premium. Finally, he accepted that Aviva had reimbursed Mr N's engineer's cost, with interest.

Both Mr N and Aviva didn't agree with the view.

Aviva said that it had taken into account the cancelled appointments, the phone lines being busy, and that an incorrect engineer had been booked for one of the appointments. As well as not getting back to Mr N, when it should have. It paid Mr N's engineer's costs of £180 plus the interest. And for all the failings, it paid £115 compensation, which it thought was fair.

Mr N said that the compensation recommended by our investigator, vindicates Aviva's attitude towards its customers and doesn't force them to change its service handling procedures. Instead, it reinforced the bad practices and enabled them to offer poor service at peak demand (during winter). Aviva broke the contract by cancelling several appointments at short notice, with minimal contact and no apology. He accepted that Aviva had reimbursed him the cost of the emergency engineer. But he also said that Aviva don't advertise to customers that they will experience poor service, as he had done.

So, both parties asked for a decision from an ombudsman.

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 shouldn't be upheld. I issued a provisional decision on 20 June 2023 and asked both parties to send me anything else by 18 July 2023. 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'm minded not to uphold this complaint. I understand that this is likely to be a disappointment to Mr N, but I hope my provisional findings explain why I think this is fair.

I have considered all the comments from both parties, and I think that the main issue of this complaint, is whether the compensation offered and paid for by Aviva is fair. In order to assess this, I've had a look at the timeline of events, that led to Mr N complaining to Aviva for the poor service that he experienced. I've also considered Mr N's complaint regarding the policy's premium.

The timeline of events is as follows:

16 December 2022 – Mr N contacts Aviva to make a claim. But as the phonelines were too busy, he had to make the appointment online.

19 December 2022 – Mr N complains to Aviva via text, given that he was unable to get through to them. And that he had to instruct an independent engineer to carry out a temporary repair.

21 December 2022 – Mr N was given the earliest appointment available. But a boiler engineer had been booked, which was an error. Mr N said that he was informed by Aviva that another appointment was rescheduled for the next day 22 December 2022.

22 December 2022 – Mr N said that this appointment was cancelled. Aviva said that there was no appointment scheduled for this day and the next appointment given was on 2 January 2023.

2 January 2023, Mr N said that this appointment (which fell on a bank holiday) was cancelled by Aviva. And a subsequent appointment was cancelled by Mr N, as he told Aviva that he had repaired the pipe.

Aviva said that there was no appointment scheduled for 22 December 2022, as the next appointment given was on 2 January 2023. Mr N hasn't provided me with any corroborating evidence that supports that he was given an appointment on that day. In the absence of this, I'm persuaded that there hadn't been an additional appointment given on 22 December. So, in essence there were two days Aviva cancelled appointments at short notice (21 December 2022 and 2 January 2023).

In addition to the cancelled appointments, Mr N explains that he had to chase Aviva for updates, received minimal contact or response from them and ultimately had to take steps to repair the pipe himself. Aviva has accepted that the standard of service fell well below what it would've liked. And I agree. It seems that poor staffing and the time of the year (winter) played a role, and I can understand the frustration that Mr N felt. But I'm satisfied that Aviva recognised this error and offered and paid Mr N £115 compensation for the trouble and upset caused. It also reimbursed Mr N £180 plus interest, for the cost of the independent engineer, which I think is fair.

When assessing compensation, we look at the impact on the consumer as a result of the errors made by the business. Mr N hasn't provided me with any evidence to support the actual impact of Aviva's errors on him, such as whether he experienced, loss of heating, total loss of water. And possibly, the effect on his health or well-being.

We assess the impact caused on a fair and reasonable basis. Given that I'm satisfied that Mr N had difficulties in contacting Aviva, Aviva failed on occasions to respond to him, Mr N had to instruct his own engineer to make a temporary repair, as well as the cancelled appointments. I think that the impact on Mr N was more than just minimal, with more than the levels of frustration.

So, when applying our guidelines, I'm satisfied that there were repeated errors that required a reasonable effort to sort out. But I also take into account that there were two cancelled appointment and I do think that a monetary award is warranted. However, the £115 compensation offered and paid for, comes within our guidelines. Consequently, I think Aviva was fair in its offer and I don't at this stage, intend to increase this further. If Mr N can provide further evidence to show the impact on him, I will of course consider this.

Turning to Mr N's complaint regarding the premium he paid over the years. Mr N explained that he held the policy for several years and in the last four years, he hadn't had course to make a claim. He also said that when he did make a claim, he was faced with poor service. And for the various incidents of poor service, he wished that all his premiums be reimbursed, not least as he discovered that there were significant discounts for newer customers.

I asked Aviva to explain this further. It said that it offered introductory offers when customers joined. Those discounts were not offered to existing customers, simply because they had already had the benefit of those offers.

It went on to explain that Mr N's account was checked, and he had benefitted from those discounts. I think this is a reasonable explanation. And although Mr N would like his premiums refunded, I don't think this is fair, given that he had the benefit of the policy – even though he didn't use it often. And he had the benefit of the introductory discounts, when he was a new customer.

Further, each year at renewal, Mr N would've been provided with a renewal notice which is a new contract. He could've chosen to shop around for a new provider, if he felt that the policy no longer met his needs, or that the premiums had become too high. Accordingly, I can't agree that Aviva ought to refund Mr N his premiums.

Taking everything into account, whilst I understand how disappointed and deeply unimpressed Mr N was with Aviva, currently, I don't think that the level of compensation should increase past the £115 paid. I don't think it's fair or reasonable for Aviva to reimburse any of Mr N's premiums. And I'm satisfied that Aviva reimbursed Mr N's engineer costs. Accordingly, I won't be able to reasonably ask Aviva, at this stage, to do anything more to resolve this complaint.

Responses to my provisional decision

Aviva accepted the provisional decision.

Mr N responded as follows:

- Mr N sent me a few images of messages that he received from Aviva, some of which detailed bookings, as well as cancellations of appointments. I note that one of the messages indicated that there was a booking made from 22 December 2022.
- Mr N reiterated that there had been five cancelled appointments and that Aviva only acknowledged two. He accepted that he had cancelled one of those appointments.
- Mr N said that Aviva had breached the contract. And that he was without hot water for around 20 days, during the winter.
- Mr N said that he had been previously happy with his policy with Aviva, but this event indicated to him that the policy wasn't fit for purpose. Especially as Aviva were not able to provide an engineer when he needed one most.
- He said that the impact on him and his family was the time in which they had to wait for the engineers to attend. Or, due to the cancellations, not attend.
- Finally, Mr N reiterated his complaint regarding the premiums that he was paying.

I have carefully considered Mr N's comments and they haven't changed my findings. In the provisional decision, I accepted that the level of service that Aviva provided regarding the cancellation of appointments at short notice was poor. Aviva also accepted that there were service issues, and the level of service was poor. It offered and paid £115 compensation, for the trouble and upset caused.

I considered the amount of compensation as fair, having applied our guidelines on compensation. I thought that the frustrations that Mr N experienced were justified and that they were more than just minimal and more than the levels of frustration. So, I agreed that the £115 was fair.

I note that Mr N said that there had been another appointment on 22 December 2022. Aviva said that it had no record of this appointment, But Mr N has provided a screenshot of a message from Aviva in which it cancels the appointment of 21 December and rebooks it for the following day. I'm satisfied that there was some evidence of another appointment, making a total of three cancelled appointments. Despite this, I can't agree that the compensation ought to be increased. I will explain why.

I asked Mr N to provide me with further details of the impact that this event had on him. I understand that he had to wait for engineers to attend for appointments that ultimately failed. But I must say, any home emergency is going to involve a homeowner in some inconvenience including, almost inevitably, waiting for an engineer to come in and put things right. However, having looked at the times when Aviva notified Mr N that the appointments would be cancelled, I note that they were cancelled quite early on. For instance, one of the morning appointments was cancelled promptly at just after 05.00 am. So, I do think that the waiting around for an engineer would have been greatly reduced. Of course, the frustration

at having to wait for the engineer cannot be minimised. But I'm satisfied that Aviva recognised this and paid compensation for the distress and inconvenience caused.

Mr N said that he was without hot water for a period of around 20 days, due to Aviva failing to send an engineer. He said that there was a leak at his home that occurred on 16 December 2022, and he made a claim. He described the difficulty in contacting Aviva and said that he resorted to using an independent engineer to carry out a temporary repair on 19 December 2022, so three days after the leak.

I haven't been provided with evidence prior to the issue of my provisional decision, that Mr N was without hot water for 20 days. Further, I would have expected that a temporary repair is likely to have resolved any issues (albeit on a temporary basis). And I would've expected that as the hot water pipe was temporarily repaired that hot water would be restored. Nonetheless, I'm satisfied that Aviva paid for the costs of the independent engineer who carried out the repair, which I think is fair.

Mr N said that the policy wasn't fit for purpose and that Aviva had breached the contract. I have had a look at the policy terms and conditions and in particular Aviva's obligations under the policy, when it agrees to send an engineer. Under the appointments sections it states:

'Your Appointment: When your claim requires us to visit your property, we will attend within a reasonable timescale. If something beyond our control makes that impossible to keep to – we'll let you know as soon as possible and give you another time when we can visit.'

Mr N has provided screenshots of the communication that he had with Aviva. The communication related to the booking and cancellation of the appointments (among other things).

Aviva explained that the time of year (winter) was a busy period and there were staffing issues. Our service is unable to direct a business on how it operates. But Aviva did notify Mr N of appointments (which appeared to be within a reasonable timescale usually a day or two) and did notify Mr N of the cancellation and offered another time when it could visit. As it complied with the policy terms and conditions, I can't agree that it breached those terms.

I do accept that the late cancellations highlighted poor service and I'm satisfied that Aviva has recognised this poor service.

Turning to Mr N's complaint regarding the premium he paid over the years. Mr N explained that he held the policy for several years and in the last four years, he hadn't had course to make a claim. He also said that when he did make a claim, he was faced with poor service. And for the various incidents of poor service, he wished that all his premiums be reimbursed, not least as he discovered that there were significant discounts for newer customers.

As mentioned in the provisional decision Aviva gave an explanation as to why existing customers weren't offered discounts as newer customers were. I don't propose to outline this again. Save to comment that Aviva explained that Mr N was given the benefit of the discounts. Further having reviewed the policy documents Aviva explained to Mr N that although he was renewing his policy with them for another year, it recommended that he review his policy to see if he was able to get cover elsewhere, at a better price, if he shopped around:

'We recommend you review your cover. As you have been with us a number of years you may be able to get the insurance cover you want at a better price if you shop around.'

So, I think that Mr N could've shopped around for a new provider, if he felt that the policy no longer met his needs or that the premiums had become too high. Accordingly, I'm unable to agree that Mr N's premiums should be refunded.

Taking everything into account, whilst I understand how disappointed and deeply unimpressed Mr N was with Aviva, I don't think that the level of compensation should increase past the £115 paid. I don't think it's fair or reasonable for Aviva to reimburse any of Mr N's premiums. And I'm satisfied that Aviva reimbursed Mr N's engineer costs. Accordingly, I won't be able to reasonably ask Aviva, at this stage, to do anything more to resolve this complaint.

My final decision

For the reasons given, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 23 August 2023.

Ayisha Savage
Ombudsman