

## The complaint

Mr and Mrs C complain about the service they received, and delays they experienced, with Aviva Insurance Limited's (Aviva) handling of a claim for water damage, under their home buildings insurance policy.

## What happened

In 2018 the property adjoining Mr and Mrs C's home suffered an escape of water. This resulted in mould and damp in their property and so they contacted Aviva to make a claim. Mr and Mrs C say that communication from Aviva has been poor throughout the claim, and their home remains in its damaged state. They complained to Aviva in November 2022.

In its final complaint response Aviva says it arranged for a site visit so a surveyor could assess the damage at Mr and Mrs C's home. It says a schedule of works was produced. But Mr and Mrs C didn't want it to appoint its own contractors to complete the repairs. Because of this Aviva says it was looking to make a cash settlement. However, it says it was unable to contact Mr and Mrs C and eventually closed the claim in August 2019.

Aviva says it will provide a settlement payment for £12,159.44 in line with the schedule of works it originally produced if Mr and Mrs C agree to this. It says it will also instruct its solicitors to pursue recovery against the neighbour's insurance if a settlement is agreed.

Mr and Mrs C didn't think they'd been treated fairly and referred the matter to our service. Our investigator didn't uphold their complaint. He says the evidence shows Aviva assessed the claim and established costings for the repairs, but as it was unable to contact Mr and Mrs C, over several months, it had reasonably closed their claim. Our investigator thought it was fair that Aviva offered a settlement payment based on the original costings. He didn't think the business was responsible for any further damage that had since accrued.

Mr and Mrs C didn't accept this outcome and so the matter has been passed to me to decide.

I issued a provisional decision in April 2024 explaining that I was intending to uphold Mr and Mrs C's complaint. Here's what I said:

### *provisional decision*

*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*Having done so I'm upholding Mr and Mrs Cs complaint. I understand they have found Aviva's handling of their claim upsetting made worse by Mr C's health conditions. I'm sorry this has been distressing for them and I'll explain why I think my decision is fair.*

*The claim records Aviva provided include the surveyor's report from the inspection of Mr and Mrs C's home in August 2018. It refers to Mr C's concerns about mould growth due to the leak that originated from the neighbouring property. As well as Mr C's comments*

*about the neighbour installing dehumidifiers for a period of three months. Also, that he'd approached a company for a costing relating to the required repairs. Following the site visit there are further records showing contact with Mr and Mrs C where testing for mould growth is discussed. It's clear that this was a significant concern for Mr C.*

*The claim records refer to further site visits from Aviva's agents. Mr C arranged a report from a company that assessed the mould growth and set out remedial work to rectify the damage to his home. The records show Mr C cancelled a meeting with Aviva's agent in mid-September 2018 as he was waiting on further test reports. The next note is dated at the end of October and mentions difficulties progressing the claim with Mr C, which meant that costs couldn't be authorised.*

*There are notes from 20 December 2018 that follow a discussion between Mr C and one of Aviva's agents. The need for alternative accommodation was discussed. Aviva's agent arranged for Mr C to be contacted in the new year by an asbestos specialist to test a party wall. The note also refers to a potential start date for the repairs in mid-January 2019.*

*The next record in December 2018 says Mr C didn't want to proceed with the repairs due to concerns about the report into the mould issue. In January 2019 the asbestos specialist contacted Mr C by phone. The record says he asked it to contact Aviva to get the correct instructions. Aviva contacted Mr C at the end of January 2019 to see if he'd arranged an appointment for asbestos testing.*

*In February 2019 the records refer to a potential cash settlement for Mr and Mrs C's claim. I can see contact was made with Mr C in April to discuss a cash settlement. The call note says he wanted to hold off progression of the claim until May. Contact was made again, later in May. The records show Mr C asked to hold progression of his claim until June. Mr C was left several voice messages in June and July. Around four further calls were attempted by Aviva in August. But the notes indicate none of these calls were answered. The claim was then closed down on 19 August, with an instruction to re-open if contact is made.*

*Mr C says he continued to contact Aviva and that its records are inaccurate in this respect. We asked Aviva if it had more records it could provide. It responded with further claim notes covering communication that occurred between 2019 and 2022. It also arranged for several recordings to be provided from calls between Mr C and his insurance broker.*

*Claim notes from the broker show Mr C made contact in early 2020 to talk about his claim with Aviva. A call took place between the broker and Aviva's claim handler in March. During this call Aviva's agent describes how the business employs specialists to assist customers who have vulnerabilities. The note says it doesn't appear that this had been 'tried'. The record says that Aviva was looking to make a cash offer. It says Aviva's agent will contact the broker by the end of the week with a firm figure. There is no record of this having been done.*

*Aviva's notes show Mr C's claim was closed again in April 2020. There is no information to show why this happened or what communication took place.*

*The records then show an undated record of a contact from Mr C. He explains how he's been treated very badly. Aviva's agent tells Mr C the name of the individual who should be dealing with his claim. The records from around September 2020 show Aviva received another call from Mr C. The note says the claim handler hadn't called him back. A message was to be passed to the claim handler dealing.*

*The next record is dated in May 2021 around eight months later. It refers to another call from Mr C and describes him as a vulnerable customer. The note says the call handler "linked in*

*with VC champ". I understand this stands for vulnerable customer champion. The records say one of Aviva's call handlers had now developed a relationship with Mr C. It says he'd asked if this call handler could now deal with his claim. The note says this agent then emailed a claim handler with an outline of this conversation.*

*A record from July 2021 says Mr C wanted to speak with the call handler he'd spoken to previously. The next record of contact from Mr C to Aviva is the complaint he made in November 2022.*

*I've listened to the call recording when Mr C spoke with Aviva's complaint handler in November 2022. This call lasts around two hours. During which Mr C's claim and his complaint were discussed at length. The discussions included how Mr C hadn't wanted to use Aviva's contractors and didn't want his home turned into a building site. Mr C describes how no-one contacted him for three years. In response Aviva's agent says that it tried to make contact for around three months with no success. The agent says a letter was sent in 2020. Mr C describes how he was "fighting" another company during 2020 in relation to his heating system. He says this is why he wasn't aware of this letter.*

*I've also listened to several hours of calls between Mr C and his insurance broker from February and March 2020. This includes a number of references to his claim and Aviva's actions.*

*Having thought carefully about what happened here, I think Aviva should reasonably have done more to help Mr C when dealing with his claim. I say this because Aviva had clearly established that Mr C displayed characteristics of a vulnerable customer in its dealings with him. This was identified from an early stage in his claim. Its records refer to the availability of specialist support. Yet, there is no reference to this being utilised.*

*I asked Aviva to explain more about the role of its specialists and the help they can provide. But it didn't respond.*

*I can see that several notes refer to Mr C asking for a specific individual to deal with his claim. From our dealings with Mr C, he's benefitted from having one point of contact. This allowed more effective communication. I think Aviva should've shown a greater level of care in its dealings with Mr C and certainly involved its specialist team, if this was a resource it had available. Had this been done, I think Mr C would've been able to engage with Aviva's claims process more effectively. It's likely that this would've avoided the present situation where several years have passed with little progress made towards repairing Mr and Mrs C's home.*

*Aviva says it was the lack of contact from Mr C that resulted in it closing his claim in August 2019. I acknowledge that the records show there was a gap in communication around his time. But as I've set out here, there were many more contacts with Aviva, and with Aviva via Mr and Mrs C's broker, from January 2020 onwards. The business says it had closed the claim pending further contact. But when further contact was made it didn't progress the claim or provide the support Mr C needed.*

*Having considered all of this I don't think it's fair that Aviva should limit its resolution of Mr and Mrs C's claim to the settlement figure it offered back in 2019. It should've done more to ensure this claim was handled effectively. Because it didn't it should reassess the claim and ensure any repairs, or settlement payment, it offers incorporate any deterioration that has resulted from the original escape of water. This should include consideration of the costs for any reports Mr C obtained, and damage to his home contents.*

*I've thought about the impact all of this has had on Mr and Mrs C. Aviva didn't provide the*

*level of support it reasonably should have to allow their claim to be dealt with effectively. This has meant damage has gone unrepaired for several years. Mr C describes how this has caused him a great deal of distress, the significance of which has been exacerbated by his health conditions and Aviva's lack of appropriate support. In these circumstances, given the time elapsed and the distress Mr and Mrs C have been caused, I think Aviva should pay them £750 compensation.*

I said I was intending to uphold the complaint and Aviva should:

- reassess Mr and Mrs C's claim including consideration of any deterioration due to delays, utilising its specialist team when communicating; and
- pay Mr and Mrs C £750 compensation for the inconvenience and distress it caused.

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

Aviva didn't respond with any further comments or information for me to consider.

Mr C had several phone calls with our service after he received my provisional decision. He explained that he and his wife were traumatised by Aviva's handling of this claim. Mr C raised concerns that a figure hadn't been put on the value of his claim and talked through what he considers needs to be done by Aviva to resolve the matter.

### **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 read through all notes from the calls Mr C had had with our service. I've also spoken with our representative assigned to his case to ensure I understand his concerns.

I understand that Mr and Mrs C expect their claim to be resolved to their satisfaction given the long period of time this has been ongoing. However, having considered Mr C's further comments carefully, I'm satisfied that the outcome set out in my provisional decision is fair.

I acknowledge what Mr C says but it's not possible for me to define a settlement payment. Aviva must first reconsider the damage and the necessary repairs before this can be calculated.

I'm sorry for the distress Mr and Mrs C have experienced as a result of Aviva's handling of their claim. I note Mr C's further comments about the impact this has all had. But I think by paying £750 compensation to acknowledge the failings identified with its handling of the matter, Aviva will have done enough to put this right.

As stated in my provisional decision it's important that Aviva utilises its specialist team when communicating with Mr and Mrs C about their claim.

But having reconsidered all the evidence and circumstances I'm satisfied that my provisional decision is fair. So, my final decision is the same as my provisional decision.

### **My final decision**

My final decision is that I uphold this complaint. Aviva Insurance Limited should:

- reassess Mr and Mrs C's claim including consideration of any deterioration due to

- delays, utilising its specialist team when communicating; and
- pay Mr and Mrs C £750 compensation for the inconvenience and distress it caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr C to accept or reject my decision before 30 July 2024.

Mike Waldron  
**Ombudsman**