

## **The complaint**

Mrs K and Mr K complaint about Aviva Insurance Limited (“Aviva”) and the service provided to them after they made a claim on their home insurance policy.

Mr K has acted as the main representative during the claim and complaint process. So, for ease of reference, I will refer to any actions taken, or comments made, by either Mrs K or Mr K as “Mr K” throughout the decision where appropriate.

## **What happened**

The claim and complaint circumstances are well known to both parties. So, I don’t intend to list them chronologically in detail. But to summarise, Mr K held a joint home insurance policy alongside Mrs K, underwritten by Aviva, when they discovered water damage in their home. So, they contacted Aviva to make a claim.

Aviva accepted this claim and looked to progress it in house. This included appointing contractors, acting as their agents, to handle the strip out, storage and drying works. But Mr K was unhappy with the service he received in the first four months of the claim and so, he raised a complaint.

Mr K’s complaints included, and are not limited to, the service he received from Aviva’s claims manager directly. Mr K was unhappy with the way he had been communicated with and what he felt were avoidable delays during the claim process which had prevented himself and his family from being able to return home. So, he wanted to be compensated for the above.

While Aviva were investigating Mr K’s complaint, they instructed a loss adjustor, who I’ll refer to as “S” to manage the claim on their behalf. And they responded to Mr K’s complaint upholding it, accepting the service provided to Mr K could’ve been improved, which included arranging for the storage and PAT testing to be completed sooner. So, they offered to pay Mr K £150 to recognise this, while offering a further £75 a month later to recognise issues with their complaint handling process. Mr K remained unhappy with this response, so he referred his complaint to us.

Our investigator looked into the complaint and didn’t uphold it. In summary, they thought Aviva’s offer of compensation was a fair one for the service failures they had identified. And they explained why they didn’t feel Aviva had acted unfairly regarding the alternative accommodation and why our service couldn’t consider Aviva’s complaint handling.

Mr K didn’t agree. And he set out why he didn’t think he’d been given the opportunity to provide additional evidence to support his position and why he felt his complaint should be upheld. Our service made Mr K aware he was able to provide further information for us to consider, providing a deadline for this documentation to be provided. No additional information was received and so, the complaint was passed to me for a decision.

I issued a provisional decision on 11 February 2025 where I explained my intention to uphold the complaint. In that decision I said:

*"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, it's my intention to uphold the 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's affected what I think is the right outcome.*

*Before I explain why I intend to reach this decision, I think it would be useful for me to set out exactly what I've been able to consider. In line with the rules our service works within, I'm only able to consider the issues Mr K has raised, that have been responded to by Aviva within a complaint final response. So, my decision will only consider the events that occurred up to the date of Aviva's most recent final response, issued in November 2023. Any complaints about events that occurred after this date would need to be raised with Aviva, and if needed our service, separately.*

*I'm also unable to consider Mr K's complaint about the way Aviva handled his complaint, as complaint handling is an unregulated activity and so, outside of our service's jurisdiction. Because of this, I won't be considering or commenting on the £75 Aviva offered Mr K to acknowledge his unhappiness with this issue.*

*Instead, my decision focuses on the complaints I am able to consider. And where possible, I've separated them within this decision for clarity and conciseness. I also want to make it clear again that, in line with our service's informal tone and approach haven't commented on every specific point Mr K has raised. I've focused on what I think are the crux of Mr K's concerns.*

*And when doing so, I want to make it clear from the outset that Aviva remain responsible for the service provided, and actions taken, by the contractors and agents they instructed during the claim. This includes the contractors instructed to arrange the strip out, storage and PAT testing as well as S, who Aviva appointed to progress the claim in September 2023.*

#### *Alternative Accommodation*

*I recognise Mr K is unhappy that his family wasn't placed in full time alternative accommodation. But from the emails and system notes I've seen, I'm satisfied it was Mr K who proposed the idea of his staying with family the majority of the week, with hotels or other accommodation being used over the weekend. So, I don't think I can say Aviva were unreasonable to accept a proposal made by Mr K himself as he'd been offered full time alternative accommodation before this.*

*And when Mr K did dispute this in September 2023, I'm satisfied Aviva made Mr K aware he was able to source alternative accommodation and provide quotes for this. But instead, Mr K agreed to an increased disturbance allowance ("DA") payment with S. So again, I think it was Mr K who chose to continue living with family, rather than in what he felt was suitable accommodation.*

*And regarding the DA payment itself, I'm satisfied that Mr K accepted the initial £30 per day offer put forward by Aviva. So, I've no reason to find this was unreasonable at that time. As I've explained above, S were acting on Aviva's behalf and so ultimately, any actions S took must be viewed as though they were actions taken by Aviva. And I've seen when Mr K did dispute the £30 a day and requested this be increased, S agreed to this, increasing the payment to £40 a day. So, I'm satisfied Aviva acted fairly and reasonably regarding the Alternative Accommodation and DA payments Mr K received, up to the time I'm able to*

consider.

#### Overall service provided by Aviva

*I've considered all of Mr K's remaining concerns under this heading, as I'm satisfied they are ultimately related to the standard of service provided by Aviva and their agents.*

*Having reviewed the evidence available to me, which includes Aviva's system notes, I think it's reasonably clear there were delays during the claim process, before S were appointed. While I recognise there were availability and leads times that impacted the successful storage of Mr K's home, ultimately Aviva remained responsible for the actions of these contractors, and I'm satisfied Aviva could've been more proactive in ensuring all of Mr K's items were removed and store from his home appropriately.*

*And while I note the above also impacted the time it took to PAT test Mr K's electrical items, from the evidence I've seen I think Aviva took longer than they should of to initially arrange for the PAT testing to take place. And I think they are partially responsible for their contractors, acting on their behalf, attending to undertake the testing with faulty equipment and then at a time where the items couldn't be accessed. So, I do think Mr K should be compensated for the impact caused by both above and I will discuss this later within my decision.*

*I've also considered in detail the service provided to Mr K by Aviva's claim manager directly. And I want to make it clear that when doing so, I've taken into consideration the fact that I would expect Aviva, and anyone managing the claim on their behalf, to ensure the claim validated appropriately, with any payments being made in line with the terms and conditions of the policy Mr K held. So, while I appreciate there was continued correspondence with the claims manager and Mr K about the claim and its value, as well as what damage was incident related and so covered with the claim, I don't think this in itself means the claims manager, or Aviva, acted unfairly.*

*In fact, from May through to July, I think the claims manager responded promptly to Mr K's contact as I would expect and took reasonable steps to progress the claim as best they could, considering lead times and delays resulting from other parties. But crucially, I do think the claims manager could've done more from July onwards. In July, I can see Mr K request clarification on exactly what repair works were covered, so he could obtain accurate quotes from his own repairers for these. From the notes and emails I've seen, I am of the opinion that the claims manager could've been clearer in his response to this request and I think this resulted in Mr K feeling frustrated and unheard.*

*I also note that in August, Mr K had to chase the claims manager on more than one occasion for responses to his contact. And I think this is important as this contract related to quotes for repair work and whether they could be approved, so Mr K could look to arrange these works to begin. So, I do think Aviva and their claims manager's service fell below a reasonable standard.*

*So, as I'm satisfied Aviva have acted unfairly, I've then turned to what I think they should do to reasonably put things right.*

#### *Putting things right*

*When thinking about what Aviva should do to put things right, any award or direction I make is intended to place Mrs K and Mr K back in the position they would've been in, had Aviva*

*acted fairly in the first place.*

*In this situation, had Aviva acted fairly, I think they would've arranged for the storage and PAT testing of Mr K's items to have been completed sooner. And I think they would've been clearer and more proactive with their communication to Mr K from July onwards. So, I've then considered the impact this caused to Mr K and his family.*

*I think it's clear Mr K became frustrated by the length of time the claim was taking. While I do think in the most part the claim was progressed as I would expect, I can understand how the delays in arranging the storage and PAT testing would've created a different impression to Mr K. And when he didn't receive clear and consistent communication from Aviva, I can understand how this would've led to a loss of trust in how the claim was being managed and the worry this would've caused Mr K, especially considering how long he and his family had been out of their home. So, I do think a financial compensatory payment is due.*

*But when considering what this compensatory payment should be, I must also take into consideration there is a level of inconvenience to be expected in claims such as Mr K's where the damage to his home was so extensive. And I must also consider the fact that there some delays caused by the decisions Mr K took himself, including cancelling the initial strip out works when he became concerned about how they were being undertaken.*

*On top of this, I must consider that Aviva took the decision to instruct S to continue with the claim on their behalf, when Mr K's complaint was received. And, that S were ultimately acting as an agent of Aviva and so essentially, working as Aviva from the point of their instruction. So, considering Mr K was happy with S' involvement and the progression of the claim from this point, I must consider that this resolution was brought about by Aviva's and their decision making.*

*I've considered all the above alongside the number of service issues identified, the length of time these issues occurred over and our service's well documented approach to compensation, available on our website. Having done so, I'm not persuaded that Aviva's initial offer of £150 is enough to compensate Mr K and Mrs K for the inconvenience and emotional angst they have been caused.*

*Instead, in line with our approach, I'm of the opinion that a total payment of £400 would be more appropriate. I think this fairly reflects the impact caused to Mr K and Mrs K, considering the progression of the claim, the services issues identified and crucially, how this affected them and their living situation. So, I intend to direct Aviva to pay this amount, which comprises of an additional £250 on top of the additional £150 they offered in their complaint response."*

## **Responses**

Aviva responded to the provisional decision accepting that there was scope to increase the compensation offered to Mr K and Mrs K above the £150 they offered in their own complaint response. But they explained why they thought the increase I proposed was too high, suggesting a total payment of £300 would be more appropriate.

Mr K and Mrs K didn't respond to the provisional decision. So, I must assume they didn't agree with the recommendation set out.

## **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.

Having done so, I see no reason to change my initial conclusions on this occasion. And I'll explain why.

I note Aviva have accepted most of my conclusions and so, I won't be going over them again as they are set out clearly in my provisional decision, which is also included above.

But I do note they have set out why they felt the communication from their claim manager was reasonable from July onwards. While I have considered Aviva's comments, including the timeline they have provided which I thank them for, I remain of the opinion that the claims manager could have, and should have, provided more clarification around the repairs that were needed when Mr K requested it.

And while I don't disagree that Aviva's claim manager did attempt to progress the matter effectively from July onwards, I think it's clear Mr K felt the need to chase the claims manager on more than one occasion for replies to his communication. And I do think Mr K would've felt the need to do that due to the service failures he had experienced up to that point. So, my conclusions remain the case that Aviva acted unfairly for the reasons set out in my provisional decision. I've then turned to what I think Aviva should do to put things right, considering the comments they have put forward.

### **Putting things right**

Aviva have set out why they feel the compensation directed should be reduced to £300, to keep it in line with the compensation bandings that are well documented on our website. And I want to reassure Aviva my initial recommendation was made taking these bandings into consideration. But I also want to make it clear these bandings are for guidance and they aren't intended to be a set of rules. Each individual complaint, and the situation surrounding it, is different and so is considered on its own merits.

Considering this, I'm satisfied the £400 direction I provisionally made is a fair one. This is because I think there were several issues over the course of the claim journey, which I've already made clear. And, considering the guidance in the bandings Aviva have referred to, I think these errors caused considerable distress and inconvenience to Mr K that caused him to put in a lot of extra effort to sort out, in an already difficult time for him considering the damage to his home.

He had to engage extensively with the claim process to raise, chasing Aviva for replies and answers on several occasions. And the impact of Aviva's failures lasted over many weeks and months, considering the delays in arranging the PAT testing and how many failed attendances there were to get this sorted.

So, considering there wasn't just one isolated issue but instead there were several, which last over a period of time, I'm satisfied a total compensation award of £400 is appropriate on this occasion. And this is now what I'm directing Aviva to pay.

### **My final decision**

For the reasons outlined above, I uphold Mrs K and Mr K's complaint about Aviva Insurance Limited and I direct them to take the following action:

- Pay Mrs K and Mr K a total compensatory amount of £400.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K and Mr K to

accept or reject my decision before 1 April 2025.

Josh Haskey  
**Ombudsman**