

The complaint

Mr E has complained about the service received from Aviva Insurance Limited ('Aviva') under his home emergency policy.

For the avoidance of doubt, 'Aviva' includes its agents, intermediaries and contractors

What happened

Mr E had experienced on-going leaks with his water and heating system, to include his hot water cylinder and a toilet since 2019. Leaks had caused some staining and damage to two ceilings below. Aviva's engineers carried out various works to these items. Mr E however contacted Aviva in 2021 with a detailed account of his complaints and a timeline of events. The account stated that Aviva had failed to fix the leaks, missed several appointments, and had failed to communicate with him. Mr E also said he'd continued to pay large premiums. He was therefore seeking an increased compensation payment and a refund of premiums.

Aviva commissioned an expert's reports and acknowledged that there had been failings in its service. It offered Mr E a cash settlement of just over £640 for repair works to the ceilings and £750 in compensation but didn't think that it should be required to refund Mr E's premiums. Mr E didn't feel that these sums covered his full losses, including lost income. Aviva maintained its position however and Mr E then referred his complaint to our service.

The relevant investigator upheld Mr E's complaint. He said the service would expect insurers to arrange appointments within a reasonable timescale, keep a policy holder informed and progress claims in a reasonable manner. It was his view that Aviva hadn't fulfilled these expectations. However, he thought that Aviva had acted reasonably in then accepting liability for damage and in offering a cash settlement. He said that an excess would be generally applicable for each separate event and didn't think it was unreasonable for Aviva to have charged excess amounts here. He thought that the compensation offered by Aviva was in line with what the service would expect it to pay in such circumstances. He also thought that Aviva made it clear to Mr E that he could cancel his policy at any time, and he couldn't recommend that Aviva repaid Mr E's premiums in the circumstances.

Mr E remains unhappy with the outcome of his complaint and the matter has been referred to me to make a final decision in my role as 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.

The key issue for me to consider is whether Aviva provided a fair and reasonable service to Mr E under his home emergency policy. I don't think that it did so in all respects, I do consider however that it subsequently offered a fair and reasonable outcome to Mr E's complaint. In the circumstances, whilst I uphold Mr E's complaint, I won't be requiring Aviva to do anything other than to ensure payment of the cash settlement sum of just over £640 and compensation of £750 already offered to Mr E.

Turning to what the parties have said about the matter, Mr E complained about many aspects of the service provided by Aviva. In summary he complained about the following: -

- that there were at least six missed appointments, which had a financial impact as he'd taken time off work.
- Aviva didn't fix the initial issue with the cylinder pipework which caused on-going damage to the ceiling and took eight months to resolve.
- that damage was caused to a second ceiling from another leak.
- delays due to failure to order parts.
- the lack of response and explanations from Aviva during 2020 and throughout 2021.
- that he should receive premium refunds after staying with Aviva until all was resolved.
- the number of times he was charged an excess for call outs.
- failure to use the landline and not mobile number as requested '*dozens of times*'.

I've seen examples of Mr E's attempts to chase Aviva for responses about the issues he was experiencing; '*I have still had no response to my emails and still have a hole in my ceiling. Can somebody please respond to me asap.*' From the case notes I've also noted Mr E's frustration as he told Aviva it might feel he was a serial complainer, however he said he'd had to complain after each job as, quite simply, there had been a problem after each job. Mr E explained his personal circumstances and that he worked from home, with 60% of that time from the study which was one of the rooms affected. He also explained that he'd kept his policy open '*as I was at my wits end with trying to get help and support from [Aviva].*' Mr E had also been told by the expert that he could have an on-going leak. He considered that he'd paid large monthly payments for a service that he didn't receive.

As to the policy excess on each claim, Mr E didn't see why he should have to pay an excess amount on an incorrect repair which then caused damage. As to continuing to pay premiums while the issue was ongoing, Mr E was sure that Aviva's agent had agreed that keeping his policy open was the best course and the agent wanted to resolve issue rather than for Mr E to cancel the policy. He said '*To be honest I don't care whether he said that or not my reasons for keeping the policy open are stated as above...*' As he'd failed on several occasions to get anyone from Aviva to respond, he didn't consider that cancellation would be easy in any event. He since regretted keeping the policy open. Mr E felt that Aviva only responded once this Service became involved.

Aviva set out an account of its involvement in its final response letter of February 2022. It went back to events in 2019 when two issues were reported, including a leaking toilet bowl and a hot water cylinder issue. It replaced the cylinder pump in September 2019. Issues reoccurred however in June 2020 and Aviva ordered and fitted new cylinder parts. In July 2020 Mr E reported another toilet leak and this time Aviva fitted a new flush. In August 2020, an Aviva engineer attended following a report of a further leak in the airing cupboard. He found no fault and asked Mr E to monitor this. It said that it instructed experts following Mr E's initial complaint in 2020 and recognised that there may have been an intermittent leak connected with the cylinder. It said that an engineer attended and found an issue with the discharge pipe from the hot water cylinder. Three weeks later, an engineer again visited. There was no leak, however he changed two valves as a precaution. Two weeks later Mr E contacted Aviva for a further appointment, but Aviva failed to book this in and two days later, Mr E informed Aviva that a separate insurer had attended and resolved the issue. In February 2021, Aviva's engineer attended and reported that the parts Aviva had fitted the previous year had failed due to faulty parts, so new parts were fitted.

In November 2021, Aviva didn't at that stage agree it was liable for damage caused to the ceiling as its plumbers had found no evidence of a leak on two visits following the repair completed in June 2020. It said that the repair that was carried out hadn't been found to be

defective or faulty. It did add however, that Mr E should get back in touch if Mr E found that the leak reoccurred or the damp stain got bigger. It said *'Alternatively, if you feel we have misdiagnosed and there is a leak from the cylinder, please contact your own plumber and send me a copy of their report and invoice... If they are able to locate a leak I will be happy to assess this with a view to a reimbursement and I may be able to reassess my complaint outcome.'* It had accepted fault as regards the missed appointment in November 2020 and lack of communication and offered £85 compensation for this.

By 2022 and following the commission of a second expert report, Aviva said that the details of the complaints were not in dispute and it apologised to Mr E. It also acknowledged that it had closed Mr E's complaints at the end of 2020 in error and said this resulted in *'no communication from ourselves to discuss the issues raised'*. It accepted liability for damage caused to Mr E's ceiling and offered a cash settlement amount to rectify the damage caused. It accepted that it had taken *'some time'* to resolve the complaints and failed to respond to Mr E when he attempted to contact Aviva regarding the damage. Therefore, it also offered £750 compensation for the overall distress and inconvenience and the delays caused in dealing with the complaint.

As to the expert reports, the first commissioned in October 2020 related to the work carried out by Aviva in July 2020. The damage in the downstairs cloakroom at this stage was referred to as *'light staining to the ceiling and coving'*. The report noted that *'It is worth noting in our opinion there is still an ongoing issue within the airing cupboard as the plasterboard below is soaking wet. If there wasn't an ongoing leak this would dry very quickly with the heat from the tank and the heating downstairs.'* The report also noted that *'The customer had a bowl underneath here, this may have overflowed again after the leak was caused'*. Following Mr E's complaint, Aviva again commissioned experts in January 2022. It provided a further detailed analysis and noted that a stain had appeared on the lounge, kitchen and study ceilings, the kitchen ceiling having been damaged from a bathroom leak.

As to excess payments, Aviva said there had been two, one when it replaced the faulty pump and re-wired the cylinder and one when the overflow issue in the airing cupboard was reported nine months later. An additional excess payment charged in July 2020 was refunded in July 2020 as no issue had been found by Aviva's engineer. As to Mr E's request for a refund, Aviva noted that Mr E had indicated that he wished to cancel but said that he felt he had a better chance of the matter being resolved as a customer rather than as a non-customer and he was persuaded to keep the policy going. It also said that its letter of November 2020 had informed Mr E to let it know if he wished to cancel. It considered that it had been Mr E's independent decision to continue with the policy in the circumstances.

I've carefully considered all the available documentary evidence to include case notes, reports and photographic evidence. I've also carefully noted both the submissions of Mr E and Aviva. Whilst I have considerable sympathy for what Mr E has been through, I have to consider whether Aviva has now responded in a fair and reasonable way due to its central role in the difficulties which Mr E faced.

Water leaks in themselves can cause considerable stress and inconvenience and often cause consequential damage as in this case. Here, Mr E's property suffered various water leak issues, and this clearly involved disruption, some of which is to be expected, some of which should not be expected. It's inevitable that some disruption is caused to the policyholder in contacting and liaising with an insurance company and its engineers. It's also inevitable that disruption is caused by engineers visiting, diagnosing, ordering parts and then fixing the problem. What we don't consider to be reasonable is a series of failed repairs, missed appointments, failure of communication and a generally poor service. Here, the service which Aviva provided was poor and Aviva has accepted this to be the case.

I note that Aviva has said that one of the repairs was hard to get to due to limited space in which to work. It's accepted that some repairs are more complicated than others and the judgment as to whether an insurer had acted fairly and reasonably would take into account such factors. I haven't seen any report produced by a plumber instructed by Mr E and I note that Aviva had advised Mr E in November 2020:- *'Alternatively, if you feel we have misdiagnosed and there is a leak from the cylinder, please contact your own plumber and send me a copy of their report and invoice... If they are able to locate a leak I will be happy to assess this with a view to a reimbursement and I may be able to reassess my complaint outcome.'* Nevertheless, it's most unfortunate that it took so long for Aviva to accept Mr E's concerns that the water leak was on-going and that it took so long to resolve.

It's not clear from the evidence whether the on-going issues have since been traced and fully repaired and if so by whom and at what cost. There is no expert evidence available to confirm this point. Nevertheless, Aviva has stated that it's accepted liability for damage caused to Mr E's ceilings and offered a cash settlement for repairs in the sum of just over £640 being the estimate provided in the expert report of January 2022. Aviva also accepted that it had taken some time to resolve Mr E's complaints and that it had failed to respond appropriately when Mr E attempted to contact Aviva regarding the damage. I note that it then offered £750 in compensation for the distress and inconvenience caused and delays.

Regarding the excess payments, Aviva explained that it had taken three excess payments, firstly for the initial replacement of the faulty pump, secondly when he reported the overflow issue in the airing cupboard and again in summer 2020. This last payment was refunded however as the engineer didn't carry out any work. In the circumstances, I can't say that Aviva acted in an unfair or unreasonable manner, as it is to be expected and within the terms of the policy that an excess amount would be charged for any new claim.

As to Mr E's request for reimbursement of premiums, from the available evidence, Mr E accepts that he made a mistake in continuing with his policy for so long. I can understand why he might feel that retaining the policy would assist in resolving all remaining issues. I can't however say that Aviva induced Mr E to continue with his policy as the written evidence makes it clear that he would be entitled to cancel his policy. In the circumstances, I can't say that Aviva has acted unfairly and unreasonably in declining to reimburse premiums.

In conclusion, it's most unfortunate that Mr E has had to deal with leaks and incidents at his property since 2019. I consider that the distress and inconvenience caused by the incidents themselves will have been compounded by the fact that it appears that intermittent leaks continued both from the hot water cylinder and the toilet and were not properly addressed. There is unfortunately no expert report which finally clarifies the cause of the apparent intermittent cylinder problem. Aviva has accepted responsibility for damage to the ceilings and as such, I'm satisfied that Aviva didn't carry out work in a fair and reasonable manner.

I note however that Aviva has now taken responsibility for and made an offer of a cash settlement of just over £640 for the work to repair the ceilings. The offer is in line with the estimate provided in the expert report of January 2022. In the absence of any other expert evidence, I can't say that this offer is unfair and unreasonable. I also conclude that the offer of £750 is in line with what the service would expect in terms of compensation for the number of service issues suffered by Mr E over a lengthy period of time. As Aviva has now recognised its failings and offered what I consider to be a reasonable solution, I don't require Aviva to do anything more in response to Mr E's complaint.

My final decision

For the reasons given above, I uphold Mr E's complaint and require Aviva Insurance Limited to pay to Mr E:

- The sum of £642.29 as cash settlement for the cost of ceiling repairs
- The sum of £750 compensation for the distress and inconvenience caused

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 22 December 2022.

Claire Jones
Ombudsman