

The complaint

Mr J and Miss J are unhappy that Aviva Insurance Limited recorded a claim against the buildings insurance element of their home insurance policy. They've said they made it clear they didn't want to make a claim in this respect.

What happened

Mr J and Miss J held a home insurance policy with Aviva. In October 2020 they let Aviva know their property had been broken into. They said that the front door was forced whilst they hadn't been home, and various items had been taken. Mr J and Miss J said there was some damage to the front door, and some built-in wardrobes.

Aviva appointed a specialist to come and look at the front door. But Mr J and Miss J have said they made it clear to Aviva that they didn't want this specialist to do any work to the door. This was because Mr J and Miss J had an extended warranty with the company who originally fitted the door, and they didn't want to this to be invalidated by a different company working on the item.

Following this, Mr J and Miss J said they also made it clear to Aviva that they didn't want any claim logged in respect of the buildings element of their insurance policy. They just wanted to progress with a claim for the loss in respect of their home contents. But, Mr J and Miss J said this wasn't what happened.

Instead, Mr J and Miss J said a claim appeared to have been registered in relation to buildings insurance. Mr and Miss J have said this had an impact on their insurance premium from its renewal in 2021 through to 2023. And they felt this was unfair, given they hadn't wanted to claim under the buildings element of the policy.

Aviva provided a final response to Mr J and Miss J's concerns. The final response focused on delays in progression of the claim overall. But, in reference to the buildings insurance element of the claim, Aviva asked who repaired the front door, and whether there were any costs Mr J and Miss J incurred, so this can be reimbursed to them. And whether there was a repairer for the built-in cupboards. If not, Aviva said it could a contractor to assess these.

Mr J and Miss J didn't feel this adequately addressed their concerns about the building's insurance element of the loss, given they hadn't wanted a buildings insurance claim. So, they referred the matter to this service for an independent review.

As the matter referred to us was only in relation to Mr J and Miss J's concerns about any record on their building's insurance, this was what our investigator considered. Our investigator didn't think Aviva had done anything wrong. They said it was reasonable for Aviva to record the visit that took place to assess the damage to the front door. Our investigator said this was because neither Mr nor Miss J had told Aviva they didn't want the door assessed before the visit took place. And it was accurate to record that a visit had occurred.

Our investigator said Aviva had now closed the buildings claim down, and not logged a claim against it. So, this wouldn't affect Mr and Miss J's renewal premium's going forward.

In addition to this, our investigator acknowledged that it was only recently the buildings element of the claim was closed down. But they thought that was fair. They said whilst Mr J and Miss J had told Aviva they didn't want to claim for the front door, they hadn't told Aviva that they didn't want to claim for the damaged built-in cupboards until recently. And as those cupboards would have needed to be dealt with under the buildings section of the policy, it was fair for Aviva to keep this part of the claim open, until it knew what was happening with it.

Mr J and Miss J didn't agree. They maintained their position that nothing should be logged in respect of buildings insurance.

As Mr J and Miss J didn't agree, this complaint has been referred to me to decide.

I issued a provisional decision to the parties on this case. In this 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, I intend on requiring Aviva to pay Mr J and Miss J £100 compensation. I don't intend of requiring it to do anything more than that. I've explained why below.

Recording a claim

Mr J and Miss J say Aviva shouldn't log any claim for a building's insurance loss on their records.

I thought carefully about this, but I don't agree. Mr J and Miss J did suffer a loss in terms of the buildings element of their policy, and they did initially claim for this.

I've listened to a recording of Mr J's initial call with Aviva. Mr J told Aviva that the property had been broken into, and the front door to the property was damaged, as was a built-in wardrobe. As Mr J reported these items it was reasonable for Aviva to consider that Mr J and Miss J were claiming for these. And during the call, when Aviva said it would appoint a specialist to visit and review the door, Mr J didn't say they didn't want to claim for the loss.

Aviva's specialist came and reviewed the door, as I would have expected it to do. And when Mr J told Aviva that him and Miss J wanted their own contractor to complete any work on the door, Aviva said it could offer a cash settlement for this part of the loss.

It wasn't until 14 December 2020 that Mr J and Miss J told Aviva that they didn't want to claim under the buildings insurance element of their policy at all.

As Mr J and Miss J had initially claimed under the buildings element of their policy, I think it's fair a buildings claim is detailed. Aviva has shown me that the buildings element of the claim is now logged as withdrawn and closed. This is an accurate record of what happened. Mr J and Miss J did initially raise a claim, and then decided not to pursue it. So, I'm not intending on requiring Aviva to change the way it has now recorded the claim.

Delay in withdrawing the claim

I am aware however, that Aviva didn't withdraw the buildings element of the claim as soon as Mr J and Miss J told them they didn't want to pursue the buildings claim, on 14 December

2020. It's my understanding that it wasn't until more recently that the claim was logged as closed in this way.

Mr J and Miss J had to reiterate to Aviva that they weren't claiming for this part of the loss. In Aviva's final response letter, it asked Mr J and Miss J about the front door and built-in wardrobes, so it could deal with these elements of the claim. But seeing as Mr J and Miss J had already explained they wouldn't be claiming here – I can see how this would have been frustrating. The part of the claim should already have been withdrawn.

Whilst Mr J and Miss J hadn't expressly said they didn't want to claim for the built-in cupboards, and didn't want a cash settlement for the door, I don't think they specifically needed to. In noting they weren't claiming for the buildings element of the loss I think it was clear this wasn't being pursued.

As I'm satisfied Aviva has now recorded the claim correctly, I've needed to think about whether there's anything else it should do to resolve this complaint.

I do think it would be fair for Aviva to provide Mr J and Miss J with £100 compensation for its failure to withdraw the buildings element of the claim in December 2020. Mr J and Miss J have explained how frustrated they were about this, and how worried they were about the effect it would have been having on their premiums. I'm satisfied compensation of £100 fairly recognises this trouble and upset. So, I intend on requiring Aviva to pay this.

Mr J and Miss J have said they suffered an increase in premiums at each renewal, because of an open building's insurance claim. I understand that Mr J and Miss J had made a contents claim too – and that was open, which would also have been affecting their premiums. So, I'm not satisfied it was solely the delay in withdrawing the buildings element of the claim that was causing an additional increase in premium in this case.

But in any event, it's my understanding that Aviva has now recalculated Mr J and Miss J's insurance premiums for each policy year, to ensure that the premiums reflect that they didn't pursue a building's claim any further.

Aviva has explained it provided a refund of £94.76 for the renewal in 2021, nothing for 2022 and £149.40 in 2023. Mr J and Miss J haven't said the updated 2021 and 2023 renewal figures are wrong. And I haven't seen anything to evidence to suggest to me that they're incorrect. And in relation to the 2022 policy renewal, Aviva has shown me that there were no extra costs attached to the premium because of an open buildings insurance claim. So, I don't think there is anything further it needs to do in respect of that policy year either."

Aviva responded and accepted the provisional decision. Mr and Miss J responded and provided a log of calls from their phone provider to evidence calls made to Aviva. And they said they did recall saying they didn't want the front door assessed prior to the door specialist's visit.

In addition, Mr J and Miss J reiterated they only claimed on the extended warranty with the company that had originally fitted the front door. They noted that it was clear they didn't want the Aviva's door specialist to carry out any work, as well as that they didn't make a claim and then withdraw it.

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've decided the £100 compensation to Mr J and Miss B. But I don't require it to do anything more than that.

There hasn't been any further comments or evidence from either party, to alter my findings on this complaint, or the reasoning for it. So, my decision remains the same as that in my provisional decision, and for the same reasons.

Mr and Miss J maintain they didn't make a claim under the buildings element of their policy. But, having listened to the initial calls Mr J and Miss J had with Aviva, as well as call notes, I remain satisfied that it was fair for Aviva to log a claim for Mr J and Miss J initially. The further information Mr and J have sent doesn't alter this.

When Mr J and Miss J raised their claim with Aviva, they did note they had suffered a loss of items that would be considered part of the building – I've listened to the call recording where this is noted.

And whilst Mr J and Miss J did tell Aviva they didn't want Aviva's specialist to carry out the work to front door, another valid method of settling that element of the loss would have been a cash settlement – which I can see Aviva was prepared to do. I remain satisfied that it wasn't until 14 December 2020 that Mr J and Miss J made it clear they didn't want to claim for the building's element of their loss, including the internal built-in cupboards. So, I'm satisfied its accurate and fair for the buildings claim to be noted as withdrawn and closed.

It would however be useful to add, that as part of the investigation into this case, this service asked the body that oversees the Claims Underwriting Exchange (CUE), what was recorded for the building's element of the claim. This is where an external record of any claim would be stored. It responded to this service recently and following my provisional decision. This service was informed that there wasn't a buildings claim currently logged on the database, for the above burglary.

As detailed in my provisional decision, Aviva has shown me that it has recorded the buildings element of the loss recorded as closed and withdrawn. So, I'm aware it may appear on CUE in that way, in the future. As detailed my provisional decision, I'm satisfied that way of recording the claim is fair. So, I don't have anything further to add than what was contained in my provisional decision. My decision remains the same.

My final decision

My final decision is that I require Aviva Insurance Limited to:

- Pay Mr J and Miss J £100 compensation for the distress and inconvenience caused to them, for the reasons noted above.

I don't require Aviva Insurance Limited to do anything more than that.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J and Miss J to accept or reject my decision before 27 June 2023.

Rachel Woods
Ombudsman