

The complaint

Miss B is unhappy with Aviva Insurance Limited's (Aviva) handling of a claim made under her plumbing and drainage insurance cover.

Where I've referred to Aviva below, this includes any action or communications from their claim handling agent who dealt with the claim on their behalf.

What happened

Miss B identified a possible leak under her flooring, so she contacted Aviva, her plumbing and drainage insurance provider. Following an inspection, Miss B was told to make access to the pipe, which included removing the flooring, breaking tiles and digging up the concrete below.

Miss B booked an appointment for the pipe repair and arranged for the access works to be completed first thing on the day of the appointment.

However, shortly after the booked appointment time had passed, Aviva contacted Miss B and said the appointment hadn't been correctly booked due to their system limitations, and it would require more time to complete. Miss B was told the earliest the appointment could take place was two days later.

Miss B was unhappy with this as she had no heating or water at her property as a result of having the access works completed earlier that day. Aviva refused to provide, or cover the cost of, hotel accommodation until the appointment, so Miss B had to pay for this.

The rescheduled appointment went ahead and the leaking pipe was repaired. Aviva offered £150 compensation and later increased this to £200. Miss B is unhappy Aviva won't reimburse the accommodation and additional costs she incurred, and she feels further compensation is warranted, so she approached this service.

One of our investigators looked into the complaint but he didn't uphold it. He said the service from Aviva had fallen short, but he considered the £200 compensation already offered was reasonable. He said Miss B could have arranged portable heaters, bottled water and could have used washing and bathroom facilities at a friend, family, or neighbour.

Miss B didn't agree and asked for a final decision from an ombudsman.

I was minded to reach a different outcome to our investigator. So, I issued a provisional decision, to give both parties an opportunity to comment on my initial findings before I reached my final decision.

What I provisionally decided – and why

In my provisional 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, I'm issuing a provisional decision. I've reached a different outcome to our investigator, so I'm issuing a provisional decision to give both parties an opportunity to comment on my initial findings before I reach my final decision.

Miss B arranged a follow up appointment for the leaking pipe to be repaired online. Aviva recognise that a system issue allowed this appointment to be booked, when the job was actually much larger than should've been able to be booked online.

As the system allowed this, Miss B was under the impression the pipe repair would be carried out on 14 January 2023. As advised was required, previously, Miss B arranged on that day and prior to the appointment slot for the tiles and concrete below the flooring to be dug up, and the pipes to be exposed. Miss B purposely arranged it for the morning of the appointment, as this work would result in no water, washing facilities or heating and the flooring being fully exposed, so she attempted to mitigate the impact of this.

The scheduled appointment timeslot was between 8am and 1pm. Miss B was given confirmation on that morning the appointment was still going ahead. However, after the appointment slot time had been and passed, Miss B was told by Aviva that the appointment would be cancelled and rescheduled for 16 January 2023. This was because the job was too big for that type of appointment, and they said Miss B shouldn't have been able to book this online, but an issue with Aviva's system allowed it to be.

However, as a result of access being made prior to the scheduled and now cancelled appointment, Miss B had no water, washing or bathroom facilities or heating. She therefore asked for hotel accommodation to be provided. Aviva said this wasn't something that was covered by the policy so refused to cover the cost of this. Our investigator didn't think Aviva's refusal was unreasonable. I'm not minded to agree. I'll explain why.

If it was the leaking pipe which meant Miss B was without water, washing facilities or heating, then that wouldn't be the fault of Aviva, and alternative accommodation isn't covered under the policy terms. However, here, Miss B did have all these facilities, until access was made on the day of the appointment.

If either Aviva's systems didn't allow this type of appointment to be made, or Aviva had contacted Miss B prior to the appointment, then this lack of facilities could've been avoided. But the fact here is that due to both these points, this resulted in the loss of facilities, and I think that's ultimately the fault of Aviva.

I can see from the notes that Aviva said the property wasn't uninhabitable – and our investigator agreed with this. However, I don't agree. If it was just no heating, unless there were specific reasons for this being a necessity, I might not conclude this alone would render the property uninhabitable. But here, Miss B had no water in her property at all, which also means she had no washing or bathroom facilities. So, I think the property was in fact uninhabitable, and that stems from Aviva's system issues and handling of the claim and last-minute appointment cancellation and rescheduling.

The policy terms say:

"Our engineers

A (agent's name) engineer will normally carry out any work required at your property. Sometimes, we may send a suitably qualified contractor instead."

Whilst Aviva might not have had any engineers available, the policy terms do allow for other contractors to be appointed, but Aviva declined to do this and said the earliest that an appointment could be given was two days later. So, this left Miss B in a position of facing two days with no water, bathroom or washing facilities. And I think she took reasonable actions of staying in a hotel in order to be able to wash and have access to water until the rescheduled appointment could take place.

So, whilst the policy terms don't specifically cover alternative accommodation, my remit isn't limited to considering the policy terms alone. Instead, I also consider what is fair and reasonable in all the circumstances of the case. And I can direct Aviva to pay for costs outside the policy terms, if I decide it's fair and reasonable to do so.

I've seen the list of costs Miss B incurred, and I don't think on the whole they are excessive or unreasonable:

- *Hotel £178*
- *Dinner £22.72*
- *Lunch £14.08*
- *Coffee £6.25*
- *Breakfast £18.79*
- *Dinner £7.25*
- *Parking £8*
- *Total = £255.09*

Considering it was two nights in a hotel, I don't think the price per night is excessive or unreasonable. As I'm minded to conclude it was as a result of Aviva (and their systems) failings that Miss B needed to stay in a hotel, unless anything changes as a result of the responses to my provisional decision, I'll be directing Aviva to reimburse the accommodation cost (subject to Miss B providing evidence such as receipts) as I'm minded to conclude that is fair and reasonable in the circumstances.

I also don't think the food and beverage costs Miss B incurred were excessive either, in fact they appear quite reasonable costs for eating out as she was unable to be at home and use her own kitchen facilities. And I also think the parking cost could've been avoided if it wasn't for what happened. Therefore, unless anything changes as a result of the responses to my provisional decision, I'll also be directing Aviva to reimburse those costs (subject to Miss B providing evidence such as receipts) on a fair and reasonable basis too.

Aviva would also need to add 8% simple interest from the date Miss B paid the invoices/bills to date of reimbursement.

I recognise Aviva has already offered £200 compensation, and Miss B has asked for £1,000. However, I'm satisfied that £200 is a reasonable amount for what happened purely as compensation, so I don't intend to direct Aviva to increase this amount. But the compensation is separate to the financial costs Miss B incurred, and as outlined, I'm minded to direct Aviva to reimburse these costs to Miss B (with 8% interest as outlined) in addition to the compensation they've already offered.

Miss B has also said her partner suffered loss of earnings and/or a day of annual leave as he had to wait in for the rescheduled appointment. Our investigator said that with any claim there will be an element of inconvenience, so he wouldn't be asking Aviva to do anything further in relation to this. I agree, to an extent, with what our investigator said about any claim will likely cause inconvenience, however what is also important to note here is that just Miss B is the policyholder and Aviva's customer, and I can't direct Aviva to pay compensation to third parties either way."

So, I was minded to uphold the complaint and to direct Aviva to pay the £200 compensation already offered if they hadn't already done so, reimburse the £255.09 costs incurred subject to proof, and add 8% simple interest to the reimbursement from the date the invoice was paid to the date of settlement.

The responses to my provisional decision

Aviva responded to my provisional decision, but they didn't agree. They said they are unsure why Miss B arranged for access to be made when it is covered by her policy. They said if Miss B had waited for the engineer to make access, then she wouldn't have been in that position. Aviva also say they are unsure why there were no facilities until access had been made as they say Miss B had the leak for some time before the appointment for repair was scheduled.

Aviva also say that when their engineer first attended, Miss B was advised access was required and she would need to sign a disclaimer for the engineer to complete this. They say that Miss B should have called them to do this, and she was aware it would be a long job. And they say if Miss B had called them to arrange this, the correct appointment would have been made and Miss B wouldn't have been left without any facilities.

Miss B responded to say the policy should've been in joint names and therefore her partner's annual leave should be compensated for. She didn't make any other comments.

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.

And I've thought carefully about my provisional decision and the responses to it. Having done so, my final decision remains the same as my provisional decision.

Aviva has asked why Miss B arranged access when this was covered by the policy. But they also say Miss B was told she'd need to sign a disclaimer in relation to breakages that could occur including to the tiles and retiling the floor wouldn't be covered. So, whilst excavation might be covered by the policy, it's clear that not all the resultant damage would be – hence the disclaimer. And the file notes from Aviva show that Miss B was going to think about her options after that first visit before deciding whether to go ahead.

The access was then arranged by Miss B which meant there was no water, and the flooring was fully exposed in the bathroom to allow access to the pipes. So, this is why there was no water or facilities after the access had been made. And Miss B timed this for immediately before the scheduled appointment to ensure minimal disruption.

Aviva also says the leak was present for some time before the repair was scheduled. However, whilst this was the case, Miss B still had water and facilities at that time. Aviva's notes from the first visit confirm it was a hissing noise under the floor, rather than no water, which resulted in the first call out. Therefore, whilst a leak was present, Miss B still had water and facilities until the floor was later excavated.

Aviva also say that Miss B should have known it would have been a long job, and if she'd called them, they could have booked the right appointment, so she wouldn't have been left without facilities or water. However, Aviva's notes reflect *"follow on will be required half days work so will require long duration"* and Miss B booked an 8am to 1pm appointment, so half a day as advised.

Miss B was given confirmation on the morning of the appointment that it would go ahead. Aviva then cancelled the appointment after the time slot had passed and rescheduled it for two days later.

Had Aviva contacted Miss B sooner, then the access wouldn't have been made and Miss B would have had facilities and water until the rescheduled appointment. However, Aviva didn't contact Miss B until the time slot had passed. And as I outlined in my provisional decision, the terms also mention that Aviva can appoint contractors instead of their engineers, so if there wasn't an engineer available this is an option Aviva could have completed instead, but Aviva refused to do this.

Therefore, Aviva could have cancelled the appointment sooner, or when it was too late, explored appointing another contractor, but Aviva didn't do either. Instead, they were aware Miss B had no facilities or water and arranged an appointment for two days later. My view remains that Miss B took reasonable actions (at a reasonable cost) of staying in a hotel until the rescheduled appointment. And my view remains that Aviva need to reimburse those costs with 8% simple interest added from the date Miss B paid the bills to date of reimbursement.

Whilst I note Miss B says her partner should be on the policy and therefore, he should be compensated for annual leave, the fact here is that he isn't noted on the policy and I can't direct Aviva to compensate third parties. And in any event, as I mentioned, any claim will cause inconvenience, and Aviva has already offered £200 compensation. I think that amount is fair in the circumstances, so I'm not directing them to increase the amount of compensation.

My final decision

It's my final decision that I uphold this complaint in part and direct Aviva Insurance Limited to:

- Pay Miss B the £200 compensation they offered, if they haven't already done so
- Reimburse the £255.09 costs incurred (subject to evidence being provided, such as receipts)
- To the reimbursement amount, add 8% simple interest* from the date the invoice or bill was paid to the date of settlement.

*If Aviva Insurance Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Miss B how much it's taken off. It should also give Miss B a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 21 August 2023.

Callum Milne
Ombudsman