

## **The complaint**

Mr and Mrs S's complaint is about the handling of a claim under their home insurance policy with about Aviva Insurance Limited.

## **What happened**

In July 2022, Mr and Mrs S made a claim under their policy after their home was damaged as a result of a fire in the next-door property. I understand Mr and Mrs S's roof was damaged as well as the ceiling of a bedroom upstairs; there was also smoke damage to the rest of the house. There was also water damage to the property as a result of the fire brigade putting out the fire, which also damaged the upstairs electrics.

Mr and Mrs S had to move to alternative accommodation. Aviva cleaned the property and made it safe and said it was habitable again from late August 2023, as it said the downstairs of the property was largely unaffected and there were two bedrooms downstairs. Aviva provided an air filter and Mr and Mrs S moved back in.

The required external and internal works were largely agreed by the end of 2022 and Mr and Mrs S were told the works would start in January 2023 and be completed by March 2023. However, they were concerned that the soot had not been cleaned properly and internal redecoration works could not start until that was done. The soot cleaning and sealing had to be redone and eventually the affected areas were soda blasted in July 2023. The main works had still not started more than a year after the claim was made.

Mr and Mrs S complained to Aviva about the lack of progress with the claim. They have made a number of points in support of their complaint. I have considered everything they have said but have summarised the main points below:

- There was a lack of management and oversight of the claim by Aviva which has exacerbated the delays.
- Aviva failed to appoint a building surveyor to assess the damage and project manage the reinstatement works. A building surveyor was only appointed in June 2023, nearly 12 months after the claim was made.
- Aviva failed to respond to telephone calls and emails or generally communicate.
- They have had to live in the property, which still smelt of smoke and had smoke particles in it. There has been no acknowledgement of the potential health risk of this.
- The air filter was too noisy to run all the time and it was meant to be monitored (for particle levels) but wasn't.
- The downstairs rooms they are able to use are water damaged and in disrepair.
- They can only use one bedroom (with two fire and smoke damaged and one having to store items from the rest of the house).
- As a result, they have had to cancel holidays and plans to have visitors at Christmas and New Year.
- They have had no electricity upstairs.
- There were drafts where there was a gap in the ceiling and the insulation was affected.

- Their possessions and clothing were taken away for cleaning and to be put in storage since August 2022.
- Had a building surveyor been appointed back in August 2022, the full extent of the damage to the house would have been identified, a contractor selected, a realistic programme provided and the reinstatement works project managed properly.
- Aviva's contractor was meant to clean the property in September 2022 but this didn't happen. There were two attempts at soot cleaning in April and May 2023 but the smell of smoke still persisted.

Aviva responded to Mr and Mrs S's complaint with a final response letter dated 8 June 2023. Aviva acknowledged that there had been delays and a lack of management of the claim and said there were appointing a surveyor to look into the delays. Aviva also offered £200 compensation.

Mr and Mrs S remained unhappy with Aviva's response and referred the complaint to this Service.

One of our Investigators looked into the matter. She said that we could only consider the handling of the claim up to the date of Aviva's final response letter of 8 June 2023. Any complaint about the claim after that date would have to be considered separately. The Investigator agreed there had been some avoidable delays in the claim but she thought the £200 already offered for this was reasonable.

Mr and Mrs S did not accept the Investigator's assessment. They said that Aviva wrote to them again on 15 June 2023, increasing the compensation offered to £300, so its final response to the complaint was 15 June 2023, rather than 8 June 2023. So that should be the cut-off date for our consideration.

Mr and Mrs S also said the Investigator has not understood the extent of the damage to their home and not taken their submissions into account. The delays in having the reinstatement works completed were avoidable if the claim had been managed and progress monitored properly by Aviva. They also said that the next door property was more severely damaged but repairs are due to complete by end 2023. Their property was still not completed.

As the Investigator was unable to resolve the complaint, it was passed to me.

I issued a provisional decision on the matter earlier this month. I explained that I could only look at matters that had occurred up to 8 June 2023. This is because, as the Investigator explained, we can only look at a complaint that has been raised with the business first. Mr and Mrs S raised a complaint in 2023 about the delays to that point and this was responded to on 8 June 2023. Although Aviva reviewed the compensation and increased the offer to £300 by way of an email dated 15 June 2023, I do not consider that this replaces the final response letter of 8 June 2023. While Aviva increased the compensation offered it did not change its position on any matters raised. I therefore can only address the events up to 8 June 2023 in this decision.

I also explained that as Mr and Mrs S are unhappy with the progress of the claim after that date as well, they can raise another complaint about the events from 8 June 2023, if they wish. I went on to consider the events up to 8 June 2023 and have set out my provisional findings below:

*"The relevant regulator's rules say that insurers must handle claims promptly and fairly. I do not think that Aviva has done so and I will explain why.*

*I have read the claim file and everything submitted by Mr and Mrs S. The fire*

*happened in July 2022. I can see that from then towards the end of 2022 there was progress being made, quotes being obtained and discussions about works agreed. While there were some issues, during this period, overall it seems there were no significant delays in that period.*

*Towards end 2022 works had largely been agreed and were scheduled to start at end of January and be finished by end February 2023. However, Mr and Mrs S had repeatedly raised an issue with the cleaning of the property and were understandably concerned that the internal redecorating works could not start until the soot had been cleaned properly.*

*It also is apparent that there was a lack of coordination about the external roofing repairs and the internal repairs.*

*I can see from Aviva's notes that ... the soot cleaning and soot sealing had not even started until 2023 and it had to be redone a few times, as it was not done properly and some affected parts had been missed. There were a number of additional appointments to resolve this and as of early June 2023 it was agreed that there was still a strong smell of smoke. Aviva eventually agreed to have the affected areas soda blasted. I understand this was done in early July 2023.*

*I have not seen any good reason why the property could not have been properly cleaned a lot sooner than this. I understand it was originally scheduled for September 2022. I agree with ... [Mr and Mrs S] that proper project management of the claim earlier on would have meant this delay did not happen. It seems to me that the problems with the cleaning of the property caused several months delay to the start of the reinstatement works - I would estimate from September 2023 to start of July 2023 (although I can only consider up to 8 June 2023).*

*This meant Mr and Mrs S were living in difficult conditions for considerably longer than should have been necessary. They were only able to live in the downstairs of their property, which had a strong smell of smoke and in disrepair and the roof was draughty. In addition, Mr and Mrs S had to spend significant time contacting Aviva about this and accommodating additional appointments for the cleaning to be redone.*

*I do not think the £300 offered by Aviva is enough to reflect the trouble this caused to Mr and Mrs S.*

*Overall, I consider the sum of £1,800 to be more appropriate to reflect the trouble caused to Mr and Mrs S (this is to include the £300 already offered). Again, this is only in relation to the complaint up to 8 June 2023. If there are further delays after that point, they can complain to Aviva first and then refer to this Service again if they remain dissatisfied."*

I invited both parties to respond to my provisional decision with any further information or evidence they want considered. Aviva has responded and confirmed it accepts my provisional findings.

Mr and Mrs S have also responded. They are pleased that I have said I intend to uphold their complaint. They have also provided some further comments to help clarify some matters. I have considered everything they have said and have summarised the main points below:

- They want to stress the internal damage upstairs was fairly extensive with two bedrooms suffering damage to the ceilings and walls.

- Aviva did not carry out safety checks on the electrics and gas before they moved back in, they had to arrange these themselves.
- When Aviva did finally appoint a building surveyor, they still did not project manage the works and they had limited involvement.
- The surveyor had no control over the contractor appointed by Aviva to do the works. They repeatedly refused to give them a program for the reinstatement works.
- The reinstatement works were eventually finished on 13 November 2023. The carpets were then replaced and their belongings came back from storage at the end November 2023.

### **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 have considered everything again, including the additional comments made by Mr and Mrs S. While in the summary of the case, I only mentioned damage to one upstairs bedroom, I did appreciate the extent of the damage and that the upstairs of the property was unusable due to the damage to the two upstairs bedrooms. Also, my comments with regard to Aviva making the property safe were in relation to the door and roof and was taken from information on Aviva's file. I note what Mr and Mrs S have said about the other matters.

Having considered everything again, I remain of the opinion that the total sum of £1,800 is appropriate compensation to reflect the trouble caused to Mr and Mrs S by Aviva's handling of the claim (this is to include the £300 already offered). Again, this is only in relation to the complaint up to 8 June 2023.

### **My final decision**

I uphold this complaint against Aviva Insurance Limited and require it to pay Mr and Mrs S the sum of £1,800 compensation for the distress and inconvenience caused by its handling of their claim. For the avoidance of doubt, this is to include the £300 already offered, so if that has already been paid, Aviva only now needs to pay the £1,500 balance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs S to accept or reject my decision before 17 April 2024.

Harriet McCarthy  
**Ombudsman**