

The complaint

Mr G, Mr P and Ms S complain that Aviva Insurance Limited declined a claim made on their buildings insurance policy for a drainage problem.

As Mr G has primarily dealt with things, I'll refer to him only.

What happened

The circumstances of this complaint aren't in dispute, so I'll summarise the main points:

- Mr G tried to get in touch with Aviva in October 2020, when he noticed a drainage problem. But the phone number in his policy didn't work. And when he got through to Aviva on another number, it told him to contact his broker, C.
- After Mr G had contacted C, he arranged for a contractor to visit. They carried out work costing nearly £4,000. C made a claim with Aviva for Mr G and shared the evidence from his contractor about the work it had done.
- Aviva arranged for its agent to inspect the drainage system. They said a problem remained, but it was outside the property boundary and the responsibility of the local water authority (LWA). The LWA carried out work and resolved the problem.
- Aviva declined the claim in December 2020. It said the contractor's work had been outside the property boundary and was the responsibility of the LWA – not Mr G – so it wasn't covered by the policy.
- In October 2022, Mr G complained. He didn't think it was fair for the claim to be declined, particularly given the way Aviva had dealt with his initial contact.
- Aviva arranged another inspection by its agent in 2023. It said there were no signs of repairs to the drainage system within the property boundary, which supported its view that the contractor carried out work on drainage the LWA was responsible for.
- Our investigator thought it was fair for Aviva to decline the claim. She didn't think Aviva had treated Mr G fairly during his initial contact and asked it to pay £100 compensation – but she didn't think that meant Aviva was responsible for the costs Mr G had incurred.
- Aviva accepted what our investigator said. Mr G disagreed and made a number of points. Our investigator considered them but wasn't persuaded to change her mind.

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.

- Mr G has made a number of points to support his complaint. I've read and considered all of them, but I won't respond to each and every one specifically. I'll focus on the matters I consider to be key to reaching a fair outcome and explaining my reasoning for it. That approach reflects the informal nature of this Service.
- This complaint is solely about matters Aviva and its agents are responsible for. It's not about the way other parties have acted, including C, the contractor Mr G turned to or the LWA. Aviva is responsible for handling and declining the claim – including the way its drainage company acted.
- The policy covers damage to the insured property, subject to a number of terms and conditions. That includes the drainage system serving the property, up to the property boundary – but not beyond it.
- That means damage to the drainage system outside the property boundary isn't covered by the policy, under any circumstances. And for damage to possibly be covered, it would have to be within the property boundary.
- So I'll consider the evidence about the location of the damage to decide whether it should be covered by the policy or whether it can be fairly declined.
- The contractor's invoice from 2020 is brief. It says it cleared blockages and carried out repairs to a collapsed pipe. But it doesn't comment on the location of the blockages or repairs. I understand Mr G asked the contractor for a more detailed report, but he wasn't given one. Aviva also tried to get in touch with the contractor for more information, but it didn't receive a reply. I think Aviva acted reasonably when it did this, as it took steps to try to gather all relevant information and ensure a decision was made with the full facts.
- Aviva's agent carried out a CCTV inspection of the drainage system in 2020 and 2023. In 2020, it said there was a blockage beyond the property boundary. In 2023, it explained clearly and thoroughly that it had found no evidence of repairs on the drainage system within the property boundary. It thought any work the contractor had done was outside the property boundary and on a section the LWA is responsible for. I think Aviva acted reasonably by carrying out the surveys, as it again sought to gather relevant information about the claim.
- The LWA found a blockage beyond the property boundary in 2020 and, after Aviva's agent's inspection, cleared it. The LWA said it 'assumed' the contractor carried out work inside the property boundary as private contractors aren't permitted to carry out work beyond that. But I don't think that's evidence which positively shows the contractor carried out work inside the property boundary – it's just confirmation that the contractor wasn't permitted to work outside the property boundary.
- So it's clear there was a blockage outside the property boundary. It's possible there was also a blockage inside the property boundary initially, that was cleared by the contractor but which didn't require repair. But the evidence only shows a blockage outside the boundary. And whatever repairs to a collapsed pipe the contractor was referring to in its invoice also seem to have been outside the boundary.
- I recognise the brevity of the information provided by the contractor isn't Mr G's fault and he may feel let down by them. Whilst I can appreciate the difficulty of his position, as he's reliant on the contractor to provide the key evidence and it hasn't done so, I simply don't have evidence to show there was any damage inside the

property boundary. And if there were any repairs inside the property boundary, it's likely they would have been found in the CCTV surveys – but they weren't.

- Overall, I'm satisfied it was fair for Aviva to decline the claim. Put simply, the evidence doesn't show that any work done by the contractor is covered by the policy.
- However, whilst Mr G's complaint is in part that the claim should be covered under the terms of the policy, it's also that the way Aviva dealt with his initial contact effectively caused his financial loss with the contractor. So I'll consider this point too.
- It's not in dispute that Mr G called the appropriate numbers. The first one didn't work. The second did work but, because Aviva couldn't find his policy on its system, he was referred to his broker, C, to provide support.
- The service provided by Aviva wasn't in keeping with the policy documents, which say Mr G should expect 'emergency assistance whenever it is required', any time of the day or year, including 'appropriate help dispatched quickly'. I understand the problem was urgent, as the foul drain was leaking, yet he didn't receive the kind of rapid assistance Aviva offered in the policy.
- Because of this, I'm not satisfied Aviva treated Mr G fairly. The key question is what Aviva should do to put that right. To answer that, I think it's fair to consider what would likely have happened had Aviva provided the service it ought to have done – and whether it's responsible for the financial loss Mr G faced.
- Had Aviva acted as it should have done, it would likely have arranged for its agent to inspect the drainage system sooner. I think it's likely their findings would have been along similar lines to that from 2020 and 2023 – that the problem was beyond the property boundary and the responsibility of the LWA. In which case, Mr G would have been referred to the LWA to take the matter further.
- So, even if Aviva had provided the service it ought to have done, I don't think it would have accepted a claim and/or carried out work to clear blockages or repair the drain.
- Mr G may argue that if Aviva had taken these steps, he would have had the problem resolved by the LWA, at no cost to him, and he wouldn't have had to turn to the contractor and lose out financially. Whilst I agree he shouldn't have lost out, I don't think that means Aviva is responsible for the financial loss.
- When the contractor looked at the problem, it could have done the same as Aviva's agent – found the problem was beyond the boundary and suggested Mr G get in touch with the LWA. But it didn't. That was the contractor's choice as an independent company. It wasn't something Aviva had any control over. I agree that if Aviva had acted fairly, Mr G wouldn't have turned to the contractor – but I'm not persuaded it follows that Aviva is therefore effectively responsible for the contractor.
- So in these circumstances, I'm not satisfied it would be fair to hold Aviva responsible for Mr G's financial loss. But I agree with the investigator that the way it handled the initial contact caused avoidable inconvenience.
- Mr G had to call C and a number of contractors to find one to do the work urgently. He then had to make arrangements with the contractor to carry out the work – at any already difficult time due to personal matters. Much of this inconvenience would have been avoided had Aviva appointed its agent. However, the remaining inconvenience

caused by the leak itself, and the trouble he faced getting the LWA to resolve it, would have happened regardless of how Aviva handled his initial contact.

- In these circumstances, I consider £100 compensation is reasonable. This figure isn't intended to pay toward the cost of the work, and it isn't relative to the premium paid for the policy. It's simply for the inconvenience caused by the additional calls and arrangements noted in the paragraph above.

My final decision

I uphold this complaint.

I require Aviva Insurance Limited to pay £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G, Mr P and Ms T to accept or reject my decision before 7 May 2024.

James Neville
Ombudsman