

The complaint

Mrs M and Mr Y complain that Aviva Insurance Limited (Aviva) have treated them unfairly when they made several claims on their insurance policy.

What happened

Mrs M and Mr Y have a home policy that covers problems with both water and electricity in their home. It provides cover for repairs to leaks etc, but not for repairs to damage caused by the initial problems. Aviva provides the policy, and when I refer to Aviva this includes all parties involved in the providing of the cover and claims handling.

Both parties know the detail of what happened here, so I'll only summarise events here.

Just over a week before Christmas 2022 Mrs M and Mr Y discovered, in the early hours of the morning, that there was no electricity or running water in their property. They found water in a cupboard near a water tank. They tried calling Aviva to make a claim for a repair to the affected pipe(s) but couldn't get through.

Mrs M and Mr Y moved with their children into a hotel as their home had no electricity or water. The next day they found another leak, so they switched the water off to prevent further damage. They reached Aviva the next day and Aviva arranged for a plumber to attend the following day.

That visit didn't happen as the plumber couldn't get hold of Mrs M and Mr Y, but the next day (day 5) a repair was carried out, although the plumber said there were several leaks and all of the pipework needed to be replaced to prevent future problems.

Over the next few weeks further leaks were found and repaired – there were at least half a dozen claims registered. In early February Mrs M and Mr Y used an independent plumber who said there were at least seven leaks – including six that had been fixed by Aviva. This plumber carried out some further repairs and Mrs M and Mrs returned home with their family in mid-February.

Mrs M and Mr Y complained about the way they'd been treated, explaining that they'd had to chase Aviva continuously to make any progress and appointments had been missed and/or rescheduled. They want Aviva to pay to replace all the pipework (about £11,000 including VAT) and to pay for their hotel bills as they say some of the problems may not have occurred if Aviva had dealt with the situation promptly and effectively.

Aviva said it wouldn't pay for alternate accommodation as the policy didn't cover this sort of expense, and even though Mrs M and Mr Y couldn't get through to them initially the house was already uninhabitable and they'd have had to move out even if they'd reached Aviva on the very first day. Aviva also said it wouldn't pay for replacing all the pipework to prevent future leaks as there was a limit of £4,000 per claim and the cost was above this.

Aviva did acknowledge that there had been some shortcomings in the way they communicated and the response times, and noted that a contractor had rescheduled one

visit twice. It offered Mrs M and Mr Y £290 to make up for the trouble they'd had.

Mrs M and Mr Y rejected this offer and asked us to review their complaint.

Our investigator noted that there was no cover for alternate accommodation in the policy. She also went through the history of attempted and actual contact between Aviva and Mrs M and Mr Y, and concluded that £290 was a reasonable offer as compensation for the trouble Aviva had caused. Finally she noted the upper monetary limit on claims and thought it reasonable for Aviva to say it need not pay to replace all the pipework.

Mrs M and Mr Y don't agree so I've been asked to decide this complaint.

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'm not going to uphold this complaint, as I believe Aviva has tried to resolve the complaint fairly by offering the £290 compensation. I'm not going to comment on every point made by either party although I have considered all the relevant information. There are three main issues, and I'll comment on each of them.

Cost of alternate accommodation

The policy Mrs M and Mr Y have doesn't provide cover for alternate accommodation, so I wouldn't ask Aviva to pay for this unless its actions had been the direct cause of damage in the property.

Mrs M and Mr Y told us they moved into a hotel with their family the same day they discovered the very first leak. So from the start they couldn't stay in the house. That's likely the case even if they'd got through to Aviva the same day to register a claim. Aviva did send a contractor out on day four, even if he couldn't access the house or contact Mrs M and Mr Y, and a repair was carried out the next day. By that time at least one more leak had been discovered and that pattern continued for several weeks.

Requested replacement of pipework

Aviva's contractor reported almost straight away that the pipework was old and had connectors likely to fail and cause leaks. And some of the problems were likely caused by pipes freezing and a lack of lagging.

It's clear there was a major issue with the water pipes in the house overall, and it's not Aviva's responsibility under this policy to replace a water system to prevent future problems. That's not cover generally offered in policies like this one, so I don't think this is an uncommon restriction. Aviva is responsible for repairing leaks and other faults, which it has done at least six times in three months.

Compensation

Dealing with insurance claims is, by its very nature, a stressful experience because something problematic has already occurred. Some inconvenience is unavoidable in these circumstances. I'm looking at whether Aviva has compensated Mrs M and Mr Y fairly for any additional problems it caused – rather than any caused by finding so many leaks and having

to schedule repairs. I do appreciate that this has been a difficult time for Mrs M, Mr Y and their family, but much of that is because of the circumstances they found themselves in rather than because of what Aviva did.

I think Aviva has offered a fair amount. Whilst Aviva accepts that it didn't provide the best service, it has offered compensation which is in line with the amount this service would recommend given the levels of inconvenience and the timescale. I have taken into account Mrs M and Mr Y's explanation of how many times they had to contact Aviva and chase progress, but weighing everything up I still think the amount offered is fair.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr Y to accept or reject my decision before 27 May 2024.

Susan Peters
Ombudsman