

The complaint

Mr W complains Aviva Insurance Limited hasn't reimbursed him for gas and electricity costs incurred at his property owing to its use of the services, whilst he was in alternative accommodation.

What happened

Mr W had a subsidence claim ongoing with Aviva. In 2022 he went into alternative accommodation in order for the necessary repairs to be carried out on his property. Mr W says at the point he turned off the gas and electricity at the fuse board and boiler so as not to incur costs at his property whilst he was living elsewhere.

In October 2022 Mr W received £3,000 from Aviva for various costs incurred in the moving into the rental property. Mr W received a further £3,000 in March 2023.

In October 2023 Mr W realised Aviva had been using his gas and electricity at points in the claim. He asked Aviva to reimburse him the £500 bill he'd accrued. Aviva initially refused, but later, after a complaint from Mr W, did pay the full amount.

However, Mr W says Aviva has, since December 2023, refused to reimburse further electricity costs at his property, despite previously saying it would do so.

Mr B says Aviva owes him around £1,000 for its use of his gas and electricity between October 2023 and February 2024, when his daughter moved back into the property.

On 6 February 2024 Aviva provided a complaint final response letter (FRL). It covered various complaint points relating to the repairs carried out. It said, in response to the gas and electricity costs, that no further payments would be made until invoices and receipts were provided. It said Mr W had provided supporting evidence before the first payment of £3,000 was made, but it hadn't been provided with anything when the second payment was made.

Unhappy with Aviva's response, Mr W referred his complaint about the gas and electricity costs to the Financial Ombudsman Service for an independent review. Mr W said Aviva had used his electricity without his permission, which was theft. It had then misled him into turning the gas and electricity back on by saying he'd be reimbursed, only to later refuse to do so.

Our Investigator thought Aviva's response to the complaint had been a reasonable one. He said Aviva had offered support to Mr W in demonstrating what he'd spent the funds on. He didn't ask Aviva to reimburse the £1,000 requested.

In response, Mr W said he now believed, having reviewed matters, that Aviva owed him over £7,000. He sent several documents in support of the claim. Our Investigator said he wouldn't be reviewing those documents. He said those ought to be reviewed by Aviva, in the first instance.

Mr W asked for an Ombudsman to consider the complaint about its refusal to reimburse the £1,000 originally complained about. And so the matter has come to me to decide.

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.

For clarity I wanted to set out that, like our Investigator, I haven't considered Mr W's more recent claim that Aviva now owe him £7,000. That's because this Service reviews complaints, we don't handle claims. And so Mr W needs to raise these costs with Aviva first, and if it doesn't resolve this part of the claim to his satisfaction, he can make a complaint about it.

There is a lot of background to this claim and complaint. As this is an informal Service I'm not going to comment on every point made or piece of evidence referred to by the parties. But I'd like to reassure both Mr W and Aviva that I've read and considered everything provided.

Essentially Aviva has refused to make a further payment of £1,000 until Mr W can show – through receipts and such – what he spent the previous £3,000 payment on. It said it paid an initial amount of around £3,000 to him for expenses incurred in moving into his rental property. It said for the second amount of expenses claimed, Mr W hasn't shown he's incurred losses amounting to that sum.

Mr W has given reasons for not providing this, he says it should already have the information it needs, and it was unreasonable for Aviva to ask for receipts and invoices until around six months after the payment was made. He says the real issue is that Aviva turned on his gas and electricity without his permission, and it then misled him that it would reimburse the electricity costs incurred by the contractors between December 2023 and February 2024. He says this means he incurred a loss of £1,000 that Aviva should reimburse.

I can understand some of Mr W's frustration at Aviva asking for this information more than six months after it made that second payment. It should really have asked Mr W for more evidence of why he needed a further payment of £3,000 in March 2023. But I'm not satisfied that it not asking for more information in March 2023 has caused Mr W to lose out. Because he hadn't, as far as I can see, evidenced what he did use that money for at the point Aviva responded to this complaint.

Mr W's policy is there to indemnify Mr W against losses incurred. It isn't designed to cover costs that would always be payable in relation to owning a home. I can see Mr W was told in October 2022 that if he forwarded energy bills for the two properties he'd be *"reimbursed for any charge over and above what you'd normally be spending"*. He isn't entitled to have all of his energy bills covered for the period he was out of alternative accommodation, as this is something he'd have always had to pay.

It is of course unfortunate and inconvenient to have to move into alternative accommodation, and doing so will inevitably cause a policyholder to incur some unexpected costs which they wouldn't have done, but for the claim. And as part of indemnifying a policyholder an insurer will generally meet those costs. But Aviva's policy terms set out that policyholders have a duty to provide the insurer with all the information they need during a claim. I consider that this reasonably includes evidence of expenses incurred. And so it follows that, as Mr W hadn't done this, Aviva has made a reasonable decision to withhold any further payment for the utility costs claimed for.

Aviva did, it seems, use Mr W's gas and electricity without his permission. I can see why this annoyed Mr W, having sought to reduce any additional expenditure by having his supplies turned off. I agree with him it should have spoken to him about this first.

He says Aviva only reimbursed him the amount when he complained, but as it did make a full payment, I'm satisfied it resolved this matter fairly. And it seems Aviva did agree to cover energy usage from the contractors from October 2023. But this was before it had reasonable questions over the £3,000 payment. And as set out above, he hadn't provided evidence of what that £3,000 was spent on. He hadn't showed he'd incurred charges over and above

what he would have normally spent. So I can't say that Aviva's initial assurance (in October 2023) over covering the energy costs, has resulted in a financial loss to him.

I realise this has been a very difficult time for Mr W, with the claim overall lasting many years and him having challenges in his personal life during that time. But I don't consider Aviva responded unreasonably to his complaint made, so I don't think it needs to do anything differently.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 2 April 2025.

Michelle Henderson
Ombudsman