

## **The complaint**

Mr and Mrs G's complaint is about a claim they made on their Aviva Insurance Limited ('Aviva') static holiday home/caravan insurance policy.

Mr and Mrs G say Aviva treated them unfairly.

In this decision all references to Aviva include their claims handlers.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my decision.

## **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.

Having done so, I agree with the conclusions reached by the investigator for these reasons:

- Aviva eventually declined Mr and Mrs G's claim for damage to their caravan because it was not the result of a one-off insured event. By that they meant storm damage, which is an insured peril. I agree that the claim was declined correctly. I haven't seen any evidence that supports when the specific damage complained of occurred as a result of specific storm conditions, that the storm was the main cause of the damage, nor that the damage was consistent with damage a storm typically causes.
- That having been said, I think Aviva's actions caused Mr and Mrs G loss for which they should be compensated. Mr and Mrs G were not told promptly that their claim was going to be declined and had they been told this some considerable time earlier, they would have had the opportunity to repair their caravan. Instead, Mr and Mrs G say they were told by Aviva's first agent that their claim would be covered and not to arrange to secure and repair it themselves. At the time the caravan was considered by Aviva's first agent it was said that water had ingressed via external side panels and when Mr G attempted repair, the timber behind the panels had also deteriorated. There is no evidence however at that stage that it was beyond economic repair. Aviva's delay in confirming that no cover was available for over 7 months and over winter months would inevitably have led to the deterioration in the condition of the caravan, which is now beyond economic repair.
- It's not possible to put Mr and Mrs G back in the position they should have been in if Aviva had declined their claim promptly because they have now lost the use of their caravan entirely. The evidence I've seen doesn't support that would have been the case in October 2022. Mr and Mrs G have now purchased a second-hand caravan instead. I think it's fair that Aviva reimburse them for the cost of this in the circumstances. I say so because Mr and Mrs G have lost the opportunity to mitigate their loss and repair their original caravan had the claim been turned down promptly.
- Turning now to Aviva's suggestion that Mr G provided contradictory information about his state of health, his ability to visit the caravan and that he'd not provided an explanation

for this. Looking at Mr G's testimony, I'm satisfied that he provided a credible account of the information he gave Aviva's loss adjuster and evidence to support his state of health and the times he'd visited his caravan with reference to date stamped photographs. So, I can understand why Aviva's comment would have caused him offence. I agree that Aviva should apologise for the comments they made particularly in light of his state of health and the fact that he felt compelled to challenge this with evidence. I also think the apology should extend to the way in which they handled the claim more generally and the delays in dealing with it.

- Mr G has given a clear account of the nature of his medical condition and the impact Aviva's actions had on his and Mrs G's quality of life. Aviva's failure to decline their claim when they should have meant they were left without a caravan for a long time from which they derived pleasure. This was particularly distressing given the nature of Mr G's condition.
- Taken together, I think Aviva should pay Mr and Mrs G £500 in compensation for the distress and inconvenience they were put to in respect of the failings I've identified here. This is broadly in line with similar awards we've made in respect of such failings.
- Mr G has said that he was only able to purchase a second-hand caravan in the same caravan park with the benefit of an interest free loan from a family member and a £16,000 advance on his mortgage. I understand why Mr G went ahead with the purchase before the outcome of his complaint against Aviva could be determined in finality. And I think purchasing a second-hand caravan at the same caravan park goes some way in putting him and Mrs G back in the same position they would have been in had Aviva declined their claim earlier. But I don't think they should suffer any additional detriment because of this. I've set out what Aviva should do to put things right in respect of the interest they are now paying on a borrowing below.

### **Putting things right**

Aviva should:

- Reimburse Mr and Mrs G for the cost of the second-hand static caravan upon receipt of evidence of the sum they paid for it.
- Apologise for their conduct in Mr and Mrs G's claim generally.
- Pay Mr and Mrs G £500 in compensation for the distress and inconvenience caused by their conduct.
- Reimburse Mr and Mrs G for any interest they've paid on the mortgage advance to purchase the second-hand static caravan and will continue to pay until that amount is settled, subject to receiving evidence of this.

### **My final decision**

For the reasons set out above, I uphold Mr and Mrs G's complaint against Aviva Insurance Limited and direct them to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G and Mr G to accept or reject my decision before 9 October 2024.

Lale Hussein-Venn  
**Ombudsman**