

The complaint

Mr C and Mrs C complain about Aviva's handling of their buildings insurance claim.

All references to Aviva also include its appointed agents.

What happened

What my decision focusses on

I'm aware Mr C and Mrs C have made previous complaints to our service about their claim, and that this has been ongoing for some time. I'm sorry to hear of the circumstances and difficulties they've described. I want to assure I've read and considered everything in their submissions. However, my decision only considers events from August 2022 until Aviva's final response letter of May 2024.

The details of the claim are well known to both parties, so I won't repeat them in full here.

However, in summary, Mr C and Mrs C are unhappy with the further handling of their claim between August 2022 and May 2024. In particular, with Aviva's efforts in sourcing alternative accommodation (AA) for them while repair works were undertaken at the property.

Mr C and Mrs C said Aviva used a letting agent that wasn't local to their area. They said Aviva had sourced and recommended properties which were not suitable based on the criteria they required – which they'd set out to Aviva. Mr C and Mrs C said they had to source AA themselves as works were due to start at their property.

Mr C and Mrs C said Aviva wouldn't authorise removal or storage costs until AA had been secured. They said in March 2024, they were also informed by Aviva's contractors carrying out repairs they would need to vacate their property ideally a week before works commenced. Which further added to their worry as AA had not been secured.

They said Aviva wanted to move them to an unfurnished property, but they didn't want to keep moving furniture. They said Aviva lost one potential property as it didn't contact the agent in time, meaning it was rented to someone else. Aviva then initially refused another potential property as it was over its allotted budget, which they said it hadn't made them aware of.

Mr C and Mrs C said they had purchased their own removal boxes, but Aviva wouldn't reimburse these costs. They said Aviva then engaged the services of a removal company that wasn't local to their area who wanted to conduct their services by video call. Mr C and Mrs C said they refused this and instead engaged a local removal company.

They said Aviva's actions have caused stress and anxiety and their premiums have now increased substantially at renewal due to the open claim.

In its final response Aviva acknowledged there had been some failings in the service in had provided in arranging AA, and that it could've communicated better regarding this with Mr C and Mrs C. In recognition, it offered Mr C and Mrs C £200 compensation.

Mr C and Mrs C didn't think the compensation offered by Aviva fairly reflected the distress and inconvenience its actions had caused them. They referred the complaint to our service.

Our investigator's view

Our investigator didn't recommend the complaint be upheld. She said she could see between August 2022 and December 2023 there were disputes between Aviva and Mr C and Mrs C's contractors regarding costs – but didn't think Aviva had caused unavoidable delays.

She felt Aviva had started sourcing AA with sufficient notice before Mr C and Mrs C needed to vacate their home before works started.

She said Aviva's actions had impacted Mr C and Mrs C but felt the £200 compensation offered fairly reflected the distress and inconvenience caused.

Mr C and Mrs C didn't agree with our investigator's view of the complaint. In response, they've provided further submissions for me to consider, in which they reiterated their dissatisfaction at Aviva's handling of the claim and the issues they experienced regarding AA in more detail.

They said Aviva should have engaged the services of a local letting agent to source AA properties and should have pre agreed a longer term rent of 12 months, not 6, as two properties were lost because of the short term authorised.

Mr C and Mrs C have also provided further detail regarding their premium increase.

Mr C and Mrs C reiterated the impact the claim had on their lives and that they felt the compensation offered by Aviva did not fairly reflect this.

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 understand Mr C and Mrs C feel strongly about what has happened. I'm sorry to hear of the circumstances they've described around the impact matters have had on them, and for this they have my natural sympathy.

I want to assure Mr C and Mrs C I've read and considered carefully everything they've said but my findings will focus on what I consider to be the central issues, and not all the points raised. This isn't meant as a discourtesy. The purpose of my decision isn't to address every single point the parties have raised or to answer every question asked. My role is to consider the evidence presented by all parties to reach what I think is a fair and reasonable decision based on the facts of the case.

Having done so, I do not uphold the complaint for these reasons:

- I can see there were disputes in 2022 and 2023 regarding how the claim should progress. Mr C and Mrs C had engaged their own contractor and there was an issue regarding the contractor providing Aviva with costs for the repairs. However, having reviewed matters, I don't think it is unreasonable for Aviva to want to verify costs. While this meant the claim didn't progress, I don't think this was an avoidable delay.
- The policy says a customer is entitled to reasonable costs to provide alternative accommodation to the household and pets.

- Mr C and Mrs C set out their requirements early on to Aviva's relocation specialists. I can see Aviva provided some options to Mr C and Mrs C but they rejected these as they didn't fit the criteria provided.
- I've seen links to these properties, and I can see they didn't fulfil all of Mr C and Mrs C's requirements – and there was an instance of an incorrect link being sent. Aviva explained it struggled to find suitable properties in the area that matched all the criteria, but I'm not persuaded this was due to not using a local letting agent.
- A property Mr C and Mrs C found personally got taken off the market due to being rented to someone else. Aviva's agent required authorisation for further costs as it was above a pre agreed budget. While its reasonable further authorisation might be required regarding costs, Aviva could've communicated this to Mr C and Mrs C – as it was aware they were seeking to secure AA and were themselves searching for suitable properties.
- It's not unusual for an insurer to have a panel of its preferred contractors, including letting specialists and removal companies. I also consider it is not unusual for video calls to be used as a means of assessment in some situations. As Mr C and Mrs C weren't satisfied with this, they engaged their own removal company. I'd reasonably expect the insurer to consider any reasonable costs in line with what it would have paid its own contractors, but I don't think it acted incorrectly or caused delays by engaging the removal company or letting specialists that it did.
- I can see AA eventually secured was by Mr C and Mrs C with Aviva authorising further costs to cover the cost of the rental – this was agreed around two weeks before works started.
- Having reviewed everything, I'm satisfied Aviva did what Mr C and Mrs C were entitled to under the policy. It has authorised further costs for AA and considered reasonable costs. While Aviva's relocation agent explained to Mr C and Mrs C that shorter term rents were harder to come by, it also provided other reasons for struggling to secure rental properties matching the criteria (such as landlords allowing pets). Works were estimated to take at least six months, but I also wouldn't consider it reasonable for Aviva to have authorised twelve months of AA without confirmation the works would last for a longer period – nor to have begun paying for additional costs such as storage or removals before AA was secured.
- I understand this would have been very frustrating for Mr C and Mrs C, exacerbated by their experience of what is already a very stressful situation by nature, not to mention that I'm aware there have been other instances where they have raised complaints. I also agree that Aviva could've been clearer in its communication to Mr C and Mrs C regarding AA – particularly around its budgets. So, I understand why they feel I should award significant compensation.
- However, having considering matters, I do feel the £200 compensation offered is in region of what I feel is reasonable in reflecting the inconvenience caused by Aviva's actions, and so I make no further award.
- If Mr C and Mrs C believe the premium to be incorrectly calculated, they should raise this with Aviva in the first instance. They may consider bringing a further complaint should they be dissatisfied with its response. However, I will add that a claim on a policy is likely to have an impact on premiums.

My final decision

My final decision is that I do not uphold Mr C and Mrs C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Mrs C to

accept or reject my decision before 6 May 2025.

Michael Baronti
Ombudsman