

The complaint

Miss M complains about Aviva Insurance Limited's ("Aviva") handling of her claim following an escape of water, under her home buildings insurance policy.

What happened

In December 2022 an escape of water occurred in Miss M's attic. This caused damage to the bedroom below. She made a claim to Aviva, which it accepted. Miss M says she should've been offered alternative accommodation because of the time taken to carry out the restoration works. She also says Aviva's agents damaged her boiler, and it should pay for a replacement. In addition, Miss M disagrees with Aviva's decision to cash settle her claim.

In its final complaint response dated 19 December 2023 Aviva accepted that there had been significant failings in its management of Miss M's claim. This had contributed to the length of time it had been ongoing. By way of an apology, it offered her £750 compensation. Aviva didn't think that alternative accommodation was warranted. It says it wasn't responsible for Miss M's boiler breaking down. This was thought to be due to wear and tear due to its age.

Miss M didn't think she'd been treated fairly and referred the matter to our service. Our investigator didn't uphold her complaint. He says Aviva's compensation offer is fair for the delays in its claim handling. He didn't think there was cause under Miss M's policy terms for alternative accommodation to be provided. And he didn't think it had been shown that Aviva was responsible for Miss M's boiler failing.

Miss M didn't accept our investigator's findings and asked for an ombudsman to consider her complaint.

It has been passed 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.

Having done so I'm not upholding Miss M's complaint. I'm sorry to disappoint her but I'll explain why I think my decision is fair.

In circumstances such as this some level of disruption is unavoidable. But we expect Aviva to handle claims effectively to avoid unnecessary delays and disruption. I've focused on that here. I've separated my decision by the relevant headings.

Boiler

Miss M says that during the repairs Aviva's contractors worked on a radiator. When doing so they did something to her boiler, following which it no longer worked.

A heating engineer was arranged to look at the boiler. I've read the invoice, which contains

commentary on the job. This says, *“Customer has reported various trades dabbling with system. Demand on – pump running, power into boiler but attempt at ignition sequence or fan running...Replace PCB/Fan/air pressure switch but unsure if this will get the boiler back up and running as might cause other parts to fail due to age.”*

I've also seen an email the company that employed the heating engineer sent to Aviva. It says it has spoken with the engineer. The engineer commented that the boiler was around 30 years old, was difficult to access, and that replacing the suggested parts might highlight other issues due to the boiler's age. The company says it would usually suggest a boiler of this age should be replaced.

There is nothing here that shows the contractor acting on behalf of Aviva did something to damage the boiler. I've seen the quote for a replacement boiler that Miss M obtained. But again, this doesn't show that the boiler was damaged by Aviva's contractor(s). More recently Miss M asked another heating engineer to inspect the boiler and heating system. This engineer confirms a mutual friend recommended that Miss M contact him. In his email the engineer reiterates what Miss M told him about the damage to the boiler. He says the system was fully functional prior to this. The engineer says it was the inexperience of the contractor, who isn't Gas Safe registered, not carrying out works with due care and attention that resulted in the failed boiler.

I've read this information carefully. The engineer doesn't explain what it was the contractor did that damaged the boiler. He's very supportive of Miss M's position and says that Aviva has treated her poorly. But his email lacks any clear supporting information to show what the contractor did wrong or that work was carried out on the boiler. Aviva confirms that its contractor isn't Gas Safe registered. But it says he didn't need to be as no work was carried out on the boiler. Having considered all of this I'm not persuaded that Aviva treated Miss M unfairly by declining to replace her boiler. This is because the evidence indicates it was the age and condition of the boiler that caused it to fail.

alternative accommodation

I've read Miss M's policy terms to understand when alternative accommodation should be provided. It says:

“If your home can't be lived in because it's been damaged by something which is insured under your policy, we will pay for the following until it's fit to be lived in: • reasonable additional alternative accommodation costs for you (including your pets) if you live in the home”

The terms also say it will try to keep a policyholder in their home by providing solutions to temporary interruptions in essential services. However, in this case Miss M had facilities available to allow washing, cooking, and sleeping. It was her bedroom that was affected by the leak. I accept this caused her inconvenience as she had to sleep in a smaller room. But I can't see that these circumstances met the requirement for alternative accommodation to be provided. I haven't seen evidence that shows Miss M's living conditions posed a safety concern. So, I don't think Aviva treated her unfairly when it declined to offer alternative accommodation.

cash settlement

Aviva decided to offer Miss M a cash settlement on 30 January 2024. From the claim records this is because the chimney breast remained damp. Aviva felt this was due to a non-claim related cause and that cash settling the claim would allow Miss M to arrange the repairs once she'd resolve this damp issue.

I understand Miss M felt this was imposed on her. I can understand that she wanted Aviva to arrange the repairs. However, this issue occurred after Aviva had sent its final complaint response in December 2023. The Financial Conduct Authority (FCA) DISP or dispute resolution rules determine what our service can look into. The rules say that Aviva must first be given the opportunity to resolve a complaint. If Miss M isn't satisfied with its response, or it takes longer than eight weeks to reply, she can then ask our service to consider the matter.

As this issue didn't form part of Miss M's original complaint the DISP rules mean I can't consider it in my decision here.

delays and compensation

Miss M's loss occurred in December 2022. Aviva offered £750 compensation in December 2023, at which point the repairs remained incomplete.

Having read the claim notes I don't think Aviva handled this matter as effectively as it should. It accepts that its claim handling has resulted in delays. The property took some time to dry, which delayed any reinstatement works. But the overall time to progress the claim appears excessive. I have considered the records that refer to Miss M causing a delay in proceedings when providing her choice of materials. But I think it was Aviva that was mainly responsible for the slow progress of the claim. This has meant Miss M's bedroom being unavailable to her for a long period, as well as the mess and disruption relating to the ongoing drying and reinstatement work. In these circumstances it's fair that Aviva pays her compensation to acknowledge the impact its claim handling had on Miss M. But I think £750 is reasonable in these circumstances. So, I won't ask Aviva to pay more.

I note Miss M raises concerns about how her complaint was handled by Aviva. However, complaint handling in itself isn't a regulated activity. As discussed earlier the FCA DISP rules determine what we're able to consider. Aviva's complaint handling isn't something I'm able to consider in my decision.

In summary, although I'm sorry for the distress and disruption Miss M experienced, I think Aviva's offer of £750 compensation is sufficient to acknowledge its claim handling shortfalls. It should pay this if it hasn't already. But I don't think it treated Miss M unfairly when relying on its policy terms not to offer alternative accommodation. And I don't think it's been shown that it's responsible for her boiler breaking down. So, I can't fairly ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 27 February 2025.

Mike Waldron
Ombudsman