

The complaint

Mr W complains about how Aviva Insurance Limited (“Aviva”) handled a claim he made on his buildings insurance policy following an escape of water.

What happened

The details of this complaint are well known to both parties, so I won’t repeat them again in any detail here. Instead, I’ll focus on the areas which remain in dispute, and which are key to delivering a fair and reasonable outcome.

To briefly summarise, Mr W had home insurance with Aviva. Unfortunately, in January 2023 there was an escape of water from the kitchen sink waste pipe running under the kitchen floor.

Mr W reported the matter to Aviva. Despite multiple contractors inspecting the leak and the subsequent damage, no consensus was reached regarding the cause of the damage or the appropriate restoration approach.

Mr W claimed for the repair to the floor void area, damage to the kitchen base units, and flooring in the kitchen. Aviva didn’t agree they were all damaged as a result of the escape of water.

Following various reports and surveys, Aviva made three separate offers to settle Mr W’s claim, and subsequently withdrew them.

Mr W wasn’t happy with the way Aviva was dealing with his claim. He says there were delays and incompetencies throughout and these impacted him financially. Mr W made several complaints to Aviva throughout his claim but was unable to resolve the matter.

Aviva said following receipt of Mr W’s report supporting his claim, due to the extent of works included, Aviva needed to validate the claim, works and costs. Following the visit in August 2023 Aviva’s own contractor confirmed there were separate ongoing issues contributing to the damage; including inadequate airflow into the void area which would explain the damp conditions. Aviva said there was moisture breaching through the rear exterior solid wall. It said all direct damage from the wastewater was contained to the floor void directly beneath and around the sink area. So, Aviva said it thought there were a number of issues contributing to the dampness within the floor void area, and there was no damage from the leak to the kitchen, flooring, chipboard, or joists that warranted replacement. Aviva said the kitchen sink unit could be cleaned, the insulation and chipboard removed and refitted, and the floor void cleaned and dried. Aviva said the insurance repairs would be a further £8,000.

Mr W wasn’t happy with the response from Aviva so referred his complaint to this service. Our investigator concluded that Aviva had fairly offered a cash settlement based on surveyor’s reports and acted within the terms and conditions of the policy. She also said £200 offered by Aviva as an apology was fair in the circumstances.

Mr W disagreed with the investigator’s view and provided a detailed response explaining why; Aviva accepted the initial report, Aviva initially agreed to settle the flooring and kitchen

replacement, he wasn't provided with Aviva's reports as requested, and he disagreed the damage to the kitchen was pre-existing.

In February 2025 I issued a provisional decision on this complaint, a copy of my findings is below:

"I've explained my rationale below, but before I do I want to acknowledge that I've summarised events in my own words and in far less detail than what's been provided to me. If I've not mentioned anything it's not because I haven't considered it – I've carefully reviewed the evidence submitted by both parties. Instead, I've focused on the key elements of the timeline, and what I consider to be the crux of the complaint – in line with our remit as a quick and informal alternative to the courts. No discourtesy is meant by that, nor is it my intention to minimise in any way what Mr W has been through."

Policy terms

My starting point is Mr W's policy. It says, "Buildings cover will protect you for loss of or damage to the buildings caused by any of the following things:

Water escaping from or freezing in water tanks, pipes, plumbed-in home appliances (such as washing machines and dishwashers), fixed equipment or fixed heating system."

So, Aviva considered Mr W's claim under the escape of water peril. I think Aviva acted reasonably here since there was no evidence there had been accidental damage to the pipe; which is the other peril covered by the terms of the policy.

Aviva appointed its drainage contractor to investigate the claim. They stated that there was no displacement of the pipe caused by an insured event, but rather by the pipe either not being fitted correctly or not being adequately supported—neither of which are covered under the policy. Therefore, the claim was declined. I think it's reasonable for Aviva to rely on its contractor to help inform its decision. Aviva is only liable to cover damage caused by the escape of water and since it had no independent evidence to say the damage to the flooring and kitchen cabinets was caused by the escape of water, I don't think it was wrong for Aviva to decline cover. It is entitled to do this by the policy terms. So, I think it acted reasonably here.

Mr W didn't agree with Aviva's declination of the claim. Aviva explained if he was able to obtain a report that could show a link between the escape of water and any damage, it would reconsider the claim. I think that's fair and is what I would expect it to do.

Flooring

It is for the policyholder to demonstrate to their insurer that they have suffered an insured loss. If they can do this then, generally speaking, the insurer should pay the cost of the claim in line with the policy terms and conditions, unless the insurer can reasonably rely on a policy exclusion which shows it doesn't need to.

On receipt of the home emergency contractor's report, Aviva's claims manager accepted some damage to the flooring and paid Mr W approximately £10,000 less the policy excess.

In Aviva's email dated 2 March 2023 it confirms, "we would be offering 100% cover for your kitchen area in terms of flooring costs (flooring itself, removal of skirting, new underlay and repairing sections of chipboard) and redecoration costs (we have factored in wall damage to the removal of skirting, so redecoration is included) as well as the restoration costs supplied. We have also included a 50% contribution towards hallway and bathroom costs."

Mr W responded confirming the settlement should be £10, 273 less £500 excess; for restoration works phase one and two, plus flooring. Aviva agreed, and paid Mr W. I think Aviva has been fair here since it acted on the evidence it received.

Kitchen units

Mr W obtained a report from a restoration specialist who came out and surveyed the leak and damage. Mr W sent the report to Aviva as evidence the escape of water had caused the damage he was claiming for. Due to the extent of works included in that report Aviva concluded it needed to validate the works and costs. I think this is reasonable since Aviva had concerns the leak didn't cause the damage claimed for; it said the reports and photographs didn't show signs of actual water damage to the floor or any of the units.

Following Aviva's visit, it asked Mr W to provide estimates for the renewal of the kitchen base units and the replacement of the kitchen sub floor. Aviva agreed an interim sanitation of the affected area in the meantime. I can understand from this how Mr W believed his kitchen would be replaced following Aviva's visit. This was then further compounded when Aviva made a settlement offer of approximately £38,000 to replace the floor and kitchen amongst other works. Following this a further two offers were made in settlement of Mr W's claim before all offers were withdrawn pending a further inspection.

I think this would have been frustrating for Mr W given the length of time since he initially reported the matter. And he was keen to proceed with the works. I appreciate it would have been frustrating to be told the claim had been accepted and then be told it was declined, but Aviva is entitled to inspect the damage and investigate the claim to ensure the conditions of the policy are met. I do think it could have dealt with matters more efficiently from the outset and can see that its handling of the matter has caused Mr W a level of distress and inconvenience.

Ultimately Aviva wasn't satisfied the damage to the kitchen was incident related. It based its decision on assessments by its contractors and surveyors over two separate visits. There is no dispute that there has been an escape of water and damage as a consequence of the leak. However, I haven't seen anything which persuades me the damage to the kitchen units is as a result of the escape of water from the pipe in the subfloor. I say this because the evidence I've seen doesn't definitively confirm a link between the two. When considering Mr W's complaint, I have relied on the expert opinions provided by both parties. I understand Mr W strongly believes the escape of water caused damage to his kitchen units.

Mr W says the restoration company and the home emergency contractor said the cause of damage to the kitchen base units was as a result of the escape of water. I've considered the report and copied the relevant excerpt below;

"The escape of grey water was found by a third party to be from a defective kitchen sink waste exit route on the ground floor of the property, which has been leaking for an unknown but lengthy period of time onto and underneath the chipboard subfloor and onto the concrete base on which the property is constructed. The floor cover is engineered oak/quality timber, which has blown and warped in the affected areas."

I have read the report Aviva arranged following receipt of Mr W's report. It says, "Inspecting the outer airbricks, there was no evidence that wastewater had escaped through the airbricks, which indicates the height of the collected wastewater in the floor voids did not reach floor joist height."

There is reference to inadequate airflow into the void area which could explain the damp conditions. I have seen photographs of blocked airbricks that appear to corroborate this. The home emergency contractor confirms damp within the void area and confirmed mould and damp under the kitchen floor. When Mr W discussed the matter with Aviva he says there is 'dangerous damp' which is likely to have led to and exacerbated the issues Mr W is claiming for.

Mr W didn't accept Aviva's findings. And said previous claims managers had already accepted the damage and made offers based on that. I have thought about all of the reports provided by the parties. I'm more persuaded by Aviva's latest report that says, "the escape of water was localised to the floor void. We therefore do not believe that this justifies replacement of the kitchen units, as a direct result of the peril."

Mr W hasn't provided sufficient evidence to support his view that the escape of water caused damage to the kitchen units. Therefore, on the balance of probabilities I don't think Aviva acted unfairly in declining that aspect of the claim.

Kitchen pod/alternative accommodation

Mr W obtained quotes for a kitchen pod for the duration of repairs to his kitchen. There was some disagreement about how long the repairs would take and whether the pod was suitable.

The terms of the policy say, "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...reasonable additional alternative accommodation costs for you."

Given the repair work would only impact the kitchen area, with the rest of the facilities working as usual, it is reasonable to utilise a kitchen pod. So, I can't say Aviva acted unreasonably by not arranging alternative accommodation. And I can see it paid £2370 for the pod.

Technical expert

Mr. W sought advice from a technical expert, who stated that in situations like Mr. W's, it would be reasonable to lift the entire floor for inspection rather than only a small section. The expert also recommended that individual floor joists should be thoroughly examined to check for contamination. However, Mr. W was frustrated because Aviva disregarded the expert's opinion. This frustration is understandable, as Mr. W was trying to determine the best way to address the damage to his home by following best practice advice from a specialist.

Aviva did not consider the expert's advice when reviewing the claim, as the expert had not inspected the damage at Mr. W's home and lacked expertise in handling insurance claims. I believe this is reasonable in the context of the complaint, as Aviva are the experts in this insurance contract with Mr W. Aviva and its agents are expected to manage claims efficiently and professionally. However, I think there were aspects of this matter that Aviva could have handled better, which I have outlined below.

Professional fees

I understand Mr W wants Aviva to cover professional fees he's incurred. But the terms of the policy are clear that any fees incurred in preparing a claim aren't payable under the policy. I'm not persuaded it would be fair and reasonable to hold Aviva liable for the fees incurred by Mr W instructing the loss assessor. I've considered the points made. But I can see Aviva

instructed its own assessor to attend and put together a scope of work, so I don't think it would be fair to ask it to also pay for a loss assessor to represent Mr W.

Estoppel

Mr W says Aviva is estopped from raising any argument in respect of damage to the flooring since it has already agreed the damage to the flooring was a direct result of the escape of water. Having carefully considered this point, I don't think it applies. The nature of a claim is that things can change as the claim progresses, which is what happened here. Aviva is only responsible for the costs of repairing Mr W's home within the terms of the policy. And when it became clear the flooring wasn't damaged by the escaping water in the subfloor, Aviva took steps to look into this further and ensure it was only paying out what it is liable to. So, I don't think it has acted unreasonably here.

Service

Mr W asserts that Aviva deliberately reduced the cash settlement offer in retaliation for him challenging their offers and complaining about their staff. While I understand that Mr. W feels strongly about this, my assessment does not support his claim. The offers made by Aviva were based on the evidence and information available at the time. As the claim progresses and new evidence emerges, changes in the approach to handling the claim are inevitable.

Aviva has already covered some of the costs of Mr W's claim including replacement flooring and interim sanitation. I think Aviva has tried to be fair in assisting Mr W. But it doesn't have a never-ending liability to him or this claim. And so, I think it's appropriate to now bring this matter to an end and settle things fairly as I've set out above.

I accept this leaves Mr W in a very difficult position. But having considered everything I'm satisfied Aviva has assessed the claim fairly. It considered the evidence provided by Mr W and its own contractors against the policy terms to reach a decision about how to handle the claim.

Current position

Both Aviva and Mr W obtained further reports on the damage after the complaint had been referred to this service. As a result, Aviva maintained its stance but agreed it would pay the replacement cost of the plinths since they were damaged through continued removal and refitting. Aviva also said it would consider the cost of replacing the worktop if it is evident reasonable care has been taken by a contractor in removing these items, but they still become unavoidably damaged. It stipulates the worktops do not currently match. So, Aviva will only cover each individual worktop if it is damaged but won't offer anything towards undamaged worktops."

Responses to my provisional decision

Aviva didn't provide a response to my provisional findings. Mr W provided a comprehensive explanation of events to date, what he believes the evidence shows, and how he thinks the complaint should be resolved. I have carefully considered everything Mr W has said and provided.

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 haven't been provided any information from either party which alters the findings set out in my provisional decision. So, the findings set out in my provisional decision are now that of this, my final decision.

Mr W has made various suggestions about how the matter might be concluded. And says he has provided irrefutable evidence that prove the kitchen units have been damaged as a direct result of the escape of water. Having carefully considered the evidence I'm not convinced. Where there is an absence of evidence I consider what is more likely on the balance of probabilities.

Here, I'm not persuaded the kitchen insured under the policy was damaged in the way it was claimed, based on what I've seen. The reports confirm the presence of damp and resultant damage, but that's not in dispute. I've reviewed the reports, they aren't consistent in the finding of fault, and there isn't any independent evidence that explicitly says damage to the kitchen units is as a direct result of the escape of water.

It isn't the role of this service to decide or handle claims; we review complaints. Aviva has taken steps to investigate what happened, considered the evidence provided by Mr W, and relied on its experts to inform its decision. So, I think it acted fairly and reasonably here.

I acknowledge that my decision will disappoint Mr W, who has experienced a stressful and frustrating time. It is evident that the service provided by Aviva fell short of the standard Mr W was entitled to expect. Mr W detailed the impact of this in his correspondence with the service.

Putting things right

Our investigator determined that, considering all the circumstances of the complaint, a compensatory payment of £200 was fair. However, I do not believe this amount sufficiently addresses the situation. It is clear to me that the matter has caused significant stress to Mr W. Aviva should have managed the claim more efficiently from the outset. Mr W's claim was passed to various claim handlers and departments. But the matter has been prolonged, contributing to further distress and inconvenience for Mr W. Aviva didn't manage Mr W's expectations well since he was under the impression his claim would be paid in full. Had Aviva decided sooner its likely Mr W would have made his own arrangements to carry out the necessary restoration work.

This service has general guidelines for making awards for distress and inconvenience. The award band of £300 to £750 is used for cases where the impact of a business' mistakes needs a lot of extra effort to sort out, with the impact typically lasting months. Having considered all of the above, I'm satisfied that in the circumstances, £500 is reasonable to award.

So, I direct Aviva to pay this amount in resolution of the complaint.

My final decision

For the reasons I've explained I uphold Mr W's complaint and direct Aviva Insurance Limited to settle it in line with the 'putting things right' section.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 16 April 2025.

Aviva must pay the compensation within 28 days of the date on which we tell it Mr W accepts my final decision. If it pays later than this it must also pay interest on the

compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Kiran Clair
Ombudsman