

The complaint

Mr and Mrs M have complained about the way Aviva Insurance Limited have dealt with them and the claim they made after their property suffered an escape of water.

Aviva are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the agents they used to deal with the claim. As Aviva have accepted they are accountable for the actions of their agents, any reference to the actions of Aviva in my decision includes the actions of the agents they employed.

What happened

The details of the matter are well known to both parties so I won't repeat them here. But, in brief, in autumn 2024, Mr and Mrs M's home was damaged when water escaped from a pipe running to the bath. So they made a claim on the home insurance policy they had with Aviva. Aviva arranged for drying of the property so repairs could be undertaken. And they paid for Mr and Mrs M and their family to move into alternative accommodation until their home was habitable again.

Mr and Mrs M are unhappy that the claim didn't progress smoothly. They felt that Aviva and their agents didn't accommodate their mental health needs as they'd promised to. They don't accept the claim has been fully scoped. And they were unhappy that Aviva decided to cash settle the claim and the level of that settlement.

Mr and Mrs M complained to Aviva in February 2025 about delays, failure of Aviva's agents to communicate with them and about the level of service they'd received. And they said that, when they'd returned to the house to use the facilities, they'd found their bathroom had black mould – so the leak obviously hadn't been properly repaired.

Aviva sent Mr and Mrs M their final response on 12 February. They accepted they'd caused a delay by not passing on the drying certificate when they'd received it – so there had been a delay in asking Mr and Mrs M to choose materials. They offered Mr and Mrs M £200 compensation for that. But they rejected the other complaint points.

At around the same time, Aviva cancelled the policy because of concerns about Mr and Mrs M's behaviour towards their staff and contractors.

Mr and Mrs M weren't satisfied with Aviva's response and brought their complaint to the Financial Ombudsman Service. Our investigator reviewed the information provided by both parties and concluded Aviva didn't need to do any more to resolve the complaint. He noted that Mr and Mrs M's dissatisfaction with Aviva's handling of the claim had continued after they sent their final response. But he explained that our service couldn't consider any issues which arose after that, because Aviva hadn't had the chance to consider those.

The investigator didn't identify any unreasonable delays apart from the one Aviva had identified and for which they'd offered compensation. And, while he noted that Mr and Mrs M's expectations hadn't always been met, he didn't think Aviva had acted unfairly or unreasonably.

Mr and Mrs M didn't agree with our investigator's view. So the matter's been passed to me to make a 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 that, I don't think Aviva need to do more than pay the £200 they've already offered to resolve Mr and Mrs M's complaint. I'll explain why, focusing on the points and evidence I consider material to my decision. So if I don't mention something in particular, it's not because I haven't thought about it. Rather, it doesn't change the outcome of the complaint.

It's clear that having to make a claim has had a negative impact on Mr and Mrs M – and that's been made worse by what they consider to be Aviva's poor handling of that claim. But I can't direct Aviva as to what decisions they should make about the claim – I can only look at whether the decisions they made were fair and reasonable, based on the evidence available.

And, as our investigator explained, I can only look at what happened before Aviva sent their final response in February 2025. I appreciate Mr and Mrs M think this is unfair. But any decision I make has to comply with the Dispute Resolution: Complaints rules which govern our work. Rule 2.8.1 says:

"The Ombudsman can only consider a complaint if:

- (1) The respondent as already sent the complainant its final response or summary resolution communication. Or*
- (2) ...eight weeks have elapsed since the respondent received the complaint."*

It's for this reason I can't look at any concerns that Mr and Mrs M haven't raised with Aviva first.

The remaining issues can be divided into complaints about delays, the decision to cash settle and the amount of that settlement and the support provided to Mr and Mrs M.

Like our investigator, I've not been able to identify any unreasonable delay being caused by Aviva, apart from the month they agreed they'd caused. I've seen that the property was inspected promptly after the claim was notified. And no repairs could start before the property was dry. There was a period of just over four weeks between when the drying certificate was made available and Aviva sent Mr and Mrs M their final response – during which time there were exchanges about material choices, the scope of the works to be done and concerns that contractors wouldn't work in the house as it contained recording CCTV and had a facility to lock it remotely. So I don't think there were any delays by Aviva which would justify a greater sum of compensation than the £200 which has been offered.

It was the contractors' concerns and Mr and Mrs M's attendance at the property while it was deemed uninhabitable which led to Aviva's decision to cash settle the claim. Mr and Mrs M objected to this because of the difficulty they face in finding contractors in their area to do the work. And they say the contractors they've found charge more than Aviva allowed for in the cash settlement.

Mr and Mrs M have said it wasn't reasonable for Aviva to decline to do the work for the reasons they gave and have suggested this was simply an excuse. I've thought about that,

but I don't agree that's the case. It's clear the contractors weren't willing to be on a site where they could be filmed and could have been remotely locked into the property. I can't reasonably say Aviva should have insisted they did so. And, while Mr and Mrs M said they only went to their home by arrangement, they've also said that Mr M spent a weekend there removing the bathroom himself – which Aviva wouldn't have agreed to when the property was deemed uninhabitable.

In those circumstances, I think it was reasonable to offer a cash settlement. I can see Aviva paid £59,522 in February 2025. Mr and Mrs M have said this isn't enough to fund the work because it's difficult to get tradespeople in their area. And in relation to the kitchen, the provider had quoted them almost double the figure that was included in Aviva's scope. They've also challenged the scope of the work, which hasn't included addressing the black mould they found in the bathroom

Generally, we expect insurers to arrange, and pay for, repairs when a property is damaged. If the customer chooses to have their own contractors do the work, we think it's fair for the insurer to settle the claim for what it would cost them to have the repairs done. And we only expect insurers to cover work within the repair scope. Customers often take the opportunity to get other work done at the same time. But it's fair that they pay for any work over and above the scoped repairs themselves.

But, where a business insists on a cash settlement, we think it's fair they should pay what the customer demonstrates the repairs will cost them. That's generally a higher figure, because insurers have access to preferential rates not generally available to the public.

So, in this case, I'd expect Aviva to have settled the claim for what Mr and Mrs M have evidenced it costs them to get the scoped repairs done. I wouldn't expect that to include remedial work on the mould, because Aviva don't accept that was caused by the escape of water and Mr and Mrs . And, while Mr and Mrs M have said they can't get the work done for what Aviva have paid, the documents they've sent us don't show they've sent quotes to Aviva to support this. Aviva's final response said they would review the settlement if such evidence were provided. Without that, I can't reasonably say Aviva have done anything wrong here.

Finally, I've looked at the support and customer service Mr and Mrs M received from Aviva. They've said they needed – and Aviva agreed to – provide them with additional support due to their mental health. But this fell away during the claim.

I can see that Aviva did provide a single point of contact from their specialist care team and explained to Mr and Mrs M that they would need to liaise with Aviva and their other agents, because they wouldn't necessarily have all the information to deal with queries themselves. I can see that calls were made to Mr and Mrs M but these were not always answered. And I can see that there were regular exchanges of emails.

I appreciate it would have been frustrating for Mr and Mrs M to call and not be able to speak to their contact immediately. But I don't think it's unreasonable for that to have happened, given the staff concerned were balancing a number of customers' needs. Nor can I say the agents Aviva used weren't qualified for their roles.

So, while I'm sorry Mr and Mrs M have found the claim process difficult, I don't think Aviva need to any more than pay the £200 they've previously offered to resolve this complaint.

My final decision

For the reasons I've explained, I'm directing Aviva Insurance Limited to pay Mr and Mrs M the £200 compensation they've previously offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 3 October 2025.

Helen Stacey
Ombudsman