

The complaint

Ms B is unhappy with the decision made by Aviva Insurance Limited (Aviva) when dealing with a claim under her caravan insurance policy.

Aviva is the underwriter of this policy. Part of this complaint concerns the actions of third parties instructed on the claim. Aviva has accepted it is accountable for the actions of any third party instructed by it. In my decision, any reference to Aviva includes the actions of any third party instructed by Aviva during Ms B's claim.

What happened

Ms B contacted Aviva to report flood damage to her caravan. Aviva arranged for its loss adjuster to investigate the claim. Following this, Aviva said it could complete repairs for flood damage to the caravan using one of its repairers, or pay Ms B cash settlement to complete repairs herself.

Ms B was unhappy with Aviva's response, and obtained quotes from other repairers to challenge Aviva's settlement offer. Aviva didn't agree to pay anything more in settlement of Ms B's claim. Aviva accepted its communication with Ms B had been poor at times and offered Ms B £300 in recognition of this poor service and the impact on Ms B. Ms B rejected these findings and asked the Financial Ombudsman Service to consider her complaint.

The Investigator considered the complaint and didn't ask Aviva to do anything more than what it had already offered. As the complaint couldn't be resolved, it has been passed to me for 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.

Claim decision

I thank Ms B for taking the time to explain everything that has happened since making a claim on her policy. I understand it has been a stressful time for Ms B. I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that has happened or been argued is set out above, I've read and considered everything that has been provided.

Ms B's static caravan policy included the following terms for settling a claim '*We will decide whether to repair or replace the Static Holiday Home. We will replace the Static Holiday Home, with a new one, of the same make and model or nearest equivalent*'.

I don't doubt the trouble and stress caused to Ms B in discovering that her caravan had been damaged. I recognise the shock and upset this must've caused. But for me to say Aviva needs to do something to put things right, I'd need to be persuaded that Aviva's

reliance on the policy term, and offer to put things right, is unfair, or wrong. Having considered everything, I'm persuaded Aviva's decision about its cash settlement offer, is fair and reasonable. I'll explain why.

Following notification of Ms B's claim, Aviva's loss adjuster instructed a repairer, SP, to provide a scope of repair with costings. SP recorded the total repair cost including VAT would be £4,936.80. I've seen the scope of repairs completed by SP. I'm persuaded this provided a comprehensive and detailed breakdown of the work that needed doing to bring the caravan back to its pre-loss condition.

I note Ms B appointed her own loss assessor and surveyor to manage the claim on her behalf. I've reviewed the surveyor's report completed in May 2023. I accept that this report is detailed, and provided supporting images to evidence the extent of the flood damage found in the caravan. This report determined that Ms B's caravan was beyond economical repair. As these findings were in stark contrast to what Aviva's own repairer had found, I think it was reasonable for Aviva to appoint another repairer to further consider the claim.

The second repairer, S, appointed by Aviva, noted that there was flood damage, however also said that the caravan was repairable, and repair costs would be in the region of £3,968.20 plus VAT. This report did say there may be additional costs for parts and labour. Aviva told Ms B it could complete repairs using one of its repairers, or pay Ms B a cash settlement amount of £6,788.20, excluding VAT and the policy excess, to allow for the additional cost of labour and wall boards. Aviva said it would make payment for the VAT element once repairs were completed.

I note Ms B rejected Aviva's offer. I've carefully considered the evidence Ms B provided to Aviva in support of the repairs costing more than what Aviva had offered. Because of the difference in opinion between what Aviva's experts had said about the extent of the damage, and what Ms B's own surveyor had found, I think it was fair that Aviva asked for additional evidence of the cost breakdown of repairs that Ms B's repairers thought were needed in order to bring the caravan to its pre-loss condition.

I've seen that the quote from the first repairer, SH, provided a repair estimate of around £33,000 excluding VAT. I think it was reasonable for Aviva to question this evidence, and ask for further clarity around the cost breakdown for individual parts and labour. I've seen that the updated quote from SH showed the total cost of parts only came to £6,750, and the remaining cost in the estimate was for labour. Given the compelling disparity between the cost of parts and the cost of labour, and lack of evidence justifying this, I'm persuaded Aviva's position in maintaining its settlement offer was fair.

Ms B provided a further quote from another repairer, C for around £27,000 excluding VAT. The quote from C had been done without inspection of the caravan. I'm persuaded by Aviva's concerns for this quote as it was based only on Ms B's appointed surveyor's report, rather than a physical inspection of the damage. In contrast, both of the repairer's appointed by Aviva had inspected the damage before providing a repair estimate. I also note the first repairer, SP, whose inspection was carried out shortly after the incident date, provided a detailed summary of the areas of damage and likely repair cost.

I note Ms B also asked another expert to attend to the caravan and report on the extent of damage around June 2025. Given the incident date in November 2023, and the time passed on the claim, I'm persuaded that it would be difficult, if not impossible, for any recent inspection to accurately determine flood damage, from damage that has been caused over time. On balance, I'm more persuaded by the evidence from the experts instructed closer to the date of the incident, and the scope of repairs and costing provided nearer that time.

I recognise Ms B's strength in feeling about this claim. Although Ms B has provided a compelling testimony, having considered the policy terms, alongside the findings of all the experts, I'm persuaded Aviva's offer to settle Ms B's claim is a fair one. Ms B was also provided with the option for Aviva to complete repairs, which she declined. At this time, it is for Ms B to decide if she would like to accept Aviva's offer of £6,788.20 excluding VAT, and the policy excess, if she hasn't already done so.

Communication

I've seen that Ms B had to chase Aviva for a response to her calls and emails. As the business responsible for managing Ms B's claim, Aviva should've done more to stay engaged with the claim. I can't see that it did this. I think it's fair that Aviva pay compensation in recognition of the upset caused to Ms B because of its poor claim handling.

Aviva offered £300 compensation for the impact on Ms B. Having considered the complaint, and the impact on Ms B, I'm persuaded this amount is fair and reasonable, and in line with what this service would direct in the circumstances. It is for Ms B to decide if she would like to accept this.

Putting things right

Aviva Insurance Limited is directed to:

1. Pay Ms B £6,788.20 excluding VAT and the policy excess in settlement of her claim; and
2. Pay Ms B £300 compensation.

Aviva is only required to make payment in the event that it hasn't already been paid.

My final decision

For the reasons provided I uphold this complaint. Aviva Insurance Limited must settle this complaint as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 17 March 2026.

Neeta Karelia
Ombudsman