

The complaint

Mr M complains about the way Aviva Insurance Limited ('Aviva') handled his claim for water damage under his home insurance policy.

What happened

The following is intended as a summary of key events only.

Mr M held a home insurance policy with Aviva. He raised a claim with them for an escape of water in April 2021. Mr M appointed a claims management company ('CMC') to assist him with the works at his property and signed a mandate to that effect but says he didn't date it, because Aviva's appointed loss adjusters were dealing with the claim until the point that reinstatement works were agreed.

Once reinstatement works were reviewed, Aviva agreed to cash-settle the works and raised a payment of just under £14,000 to Mr M's CMC in October 2022. Since then, it appears that the reinstatement works have not been completed, and Mr M raised his concerns to Aviva and said there were outstanding claim costs that had yet to be settled. He raised complaints to Aviva and tried to conclude the claim but there were several instances of delays. Mr M said he had to leave the property for around six weeks between November and December 2022 as there were no proper washing or kitchen facilities, and a bathroom pod had been removed from the property.

Mr M said start dates for the repairs of early January 2023 failed because he was told Aviva had refused any further alternative accommodations costs, and the repairs had not started. He raised a complaint to Aviva in May 2023 and said alternative accommodation costs were reinstated, and works would commence by Autumn 2023. However, Aviva said they could not proceed because Mr M's CMC had accepted a cash-settlement for the reinstatement works so they felt it was their responsibility to complete those works before Aviva was able to conclude other heads of claim.

Mr M brought the complaint to the Ombudsman Service as he was unhappy with the delays and how the claim had been handled. An Investigator looked at what had happened and asked Aviva for further information. Aviva responded and said Mr M had appointed a CMC to assist with the works at his property and said that it appeared the reinstatement works the cash-settlement was supposed to pay for had not been properly commenced or completed. They said given Mr M had engaged his own CMC to deal with the claim, the delays and lack of progress would be a matter between him and his CMC. But they did identify several instances of delays and said that they would pay £900 compensation to account for this.

The Investigator then issued an outcome and recommended the complaint shouldn't be upheld. They said any delays with the reinstatement works appeared to be after the date Aviva cash-settled that aspect of the claim with the CMC, and therefore the responsibility for any delays would be with the claim management company and not Aviva.

Mr M didn't agree with the Investigator's outcome. He said the mandate he had signed for his CMC had been falsified and a date had been added that he had never included. Mr M

also said the cash-settlement agreed with his CMC was for the remedial works only, and there were still outstanding claims costs including alternatives accommodation and removal and storage costs which he was told could be settled with him directly once repairs have been completed. Mr M also referred to disruptions to his administration causing losses of around £5,000 when boxes containing documents had to be put out of access while waiting for the reinstatement works to be completed.

Mr M asked for an ombudsman to consider the complaint – so, it's 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've reached the same outcome as the Investigator for broadly the same reasons. I sincerely appreciate this will be disappointing to Mr M - so I've set out my reasoning below.

I first want to acknowledge that I have summarised Mr M's complaint in a lot less detail than he has presented it. No discourtesy is meant by this, and I want to assure him that I have read and considered everything submitted in order to understand the complaint in its entirety. However, as an informal dispute resolution service, my role is to focus on the main issues of a complaint in order to reach a fair and reasonable outcome overall. And this means I have intentionally only focused my decision what I consider to be the key points of this dispute.

The crux of this complaint comes down to the delays in having the reinstatement works completed which has led to other aspects of the claim not being settled. But I need to make it clear that, because Mr M appointed a CMC to deal with the claim on his behalf, there will also be certain aspects of the complaint that I won't be able to make a finding on; because I can only look at how Aviva handled the claim and not any actions of the CMC directly.

I should make it clear that it is not within this Service's remit to make a finding on whether the CMC falsified the document that was provided to Aviva in order to cash-settle the claim. Instead, I need to decide whether it was fair for Aviva to cash-settle the claim when they were presented with the signed mandate from the CMC.

Looking at the claim history, I can see that Aviva agreed a cash-settlement in October 2022 with Mr M's appointed CMC after receiving a signed mandate from them. I appreciate Mr M has said he feels the mandate was falsified as he did not date it – but he does confirm that he signed it, and he wanted the CMC to act on his behalf.

As I said above, Mr M confirmed that he did instruct the CMC to act on his behalf, and I can also see in emails that he refers to them dealing with the claim and also refers to the mandate when emailing Aviva directly. As such, I don't think Aviva acted unfairly when they were presented with the mandate and asked to raise payment to cash-settle the repair aspects of the claim.

As the Investigator previously outlined, once Aviva raised the cash-settlement for the repair works to start, that would end their involvement with this aspect of the claim. I agree with Mr M's submission that the cash-settlement does not cover all of the heads of loss, such as alternative accommodation. But I do find that it was intended to cover the cost of repairs that were needed in order to put right the damage caused by the insured event. As such, any issues that Mr M experienced after the cash-settlement was raised with the CMC in concluding the repairs, would not be something like could fairly hold Aviva responsible for.

I can see Mr M has referred to additional emails which I think supports this conclusion, in which Sedgwick agreed to arrange alternative accommodation and the return of Mr M's household items once repair dates are agreed. I haven't specifically requested copies of these emails, as Mr M's explanations of their content are enough for me to reach a conclusion here.

I've also seen Mr M refer to emails in which he says the CMC didn't engage with issues earlier in respect of when alternative accommodation was arranged. And he also says that it may be the case that the CMC would be responsible for any increased costs if they didn't carry out the repairs works. But as these would be issues with the CMC's actions – I can't consider their actions as part of this complaint.

As it stands, Aviva said that any outstanding claims amounts, such as for alternative accommodation or any losses Mr M has experienced, would need to be concluded after the reinstatement works were finished. But as they are not in control of having those repairs carried out, I can't say they've acted unfairly in this instance.

However, I can see that Aviva put forward an offer of compensation for a total of £900 to account for delays in responding to Mr M's emails regarding his complaint decision as well as failing to provide information to their own loss adjuster's which prevented them in turn from providing further guidance to Mr M.

Having considered the demonstrated impact to Mr M, I consider this to be a fair reflection of the additional inconvenience and distress caused by Aviva's delays in responding to his concerns. I appreciate this may not be the level of compensation Mr M had hoped for, and it may not ultimately change matters for him, given his larger concerns. But as I do not find Aviva are responsible for the main issues he has experienced in this claim; I won't be asking them to raise compensation to account for this aspect of his complaint. However, in respect of the issues and timeline I can consider; I'm satisfied Aviva's offer of compensation is a fair and reasonable outcome to this particular complaint. And it therefore follows that I won't be asking them to increase this.

Conclusion

I want to make it clear that I fully recognise the serious difficulties Mr M went on to experience with having the repairs completed. I don't underestimate how protracted and stressful the repairs were, or the impact this had on him personally and financially. But these difficulties appear to have been the result of things the appointed CMC were responsible for after Aviva raised payment, rather than from anything Aviva did or failed to do.

In relation to Aviva's compensation offer of £900, I find this to be fair in the circumstances in respect of the delays and poor communication over the period I can consider. So, I'll be directing Aviva to pay this sum.

My final decision

For the reasons I've outlined above, my final decision is that I uphold this complaint in part. I direct Aviva Insurance Limited to:

- Pay £900 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 6 October 2025.

Stephen Howard
Ombudsman