

The complaint

Mr T complains, on behalf of a Limited company ('T'), about how Aviva Insurance Limited responded to a commercial property insurance claim.

T used a broker to make his claim and initial complaint. The broker communicated with Aviva, on T's behalf. Any reference I make to T may include correspondence sent on T's behalf from the broker.

A large part of T's complaint revolves around the actions of agents acting on behalf of Aviva. Any reference in my decision to Aviva includes the actions of their appointed agents as they've accepted responsibility for their agents actions.

What happened

The background to this complaint is well known to T and Aviva. In my decision, I'll focus mainly on giving the reasons for reaching the outcome that I have.

On 22 November 2023, damage occurred at T's premises. Aviva were made aware of the damage via a claim made through T's broker on 20 December 2023. Aviva arranged for a quote to be prepared and made enquiries with T about what damaged items could be used in the repair. A number of information request chasers were sent between 27 December 2023 until 9 January 2024.

T said that part of the door fittings (door handle) might be reusable, but no definitive answer was given on the other fittings. Aviva tried to arrange a site visit, but couldn't make contact with T. They arranged for a surveyor to attend the site. Further enquiries were made after this by Aviva, to T, to determine what of the damaged parts could be reused – as this would impact the cost of repairs. On 16 January 2024 T said the hinges would need replacing but again and they were unsure about other parts of the door.

Further enquiries were made to T as to the status of some of the fittings and on 12 February 2024 they let Aviva know they couldn't be located. A cash settlement offer for around £1,772.82 was made by Aviva after this.

T disputed the settlement amount and Aviva said they could consider a claim for theft of the fittings separately. After some back and forth the communication, Aviva clarified that they wouldn't be including an allowance for some of the fittings due to possible wear and tear damage.

A complaint was raised by T about how the claim had been handled and the settlement offered. As they remained unhappy with Aviva's response, they referred it to our Service for an independent review. Our Investigator considered the complaint but didn't recommend that it be upheld. As T didn't accept, the complaint has been referred to me for a final 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.

Our Service is an alternative, informal dispute resolution service. Although I may not address every point raised as part of this complaint - I have considered them. This isn't intended as a discourtesy to either party – it simply reflects the informal nature of our Service.

The scope of my decision

My decision won't consider damage to carpet at T's premises. This is because it wasn't raised as part of this complaint referred to our Service. T needs to discuss any potential carpet claim with Aviva. In the notification of loss sent to Aviva by T's broker dated 19 December 2023, it doesn't refer to any carpet claim and T told our Investigator in an early call after complaint referral that the door was their main concern.

When reaching my decision, I'll be considering if Aviva have fairly and reasonably considered and responded to the claim – in line with the policy terms. I'll also be considering the service provided by Aviva. Whilst my decision will consider the complaint afresh, I will largely focus on the points of contention still outstanding and disputed by T. This was summarised by T in an email dated 17 October 2024:

“After an insured incident damaged my premises... I am only being offered around half of the invoice of which I have paid to restore my property to its original condition”.

I've also taken careful note of the summary of the issues in dispute sent to all parties, including our Service, by T's broker in 10 October 2024, after our initial assessment.

Have Aviva fairly and reasonably responded to T's claim, in line with the policy terms?

T has disputed whether or not Aviva (their agents) visited their premises. The evidence provided by Aviva shows they tried to make contact with T to arrange a site visit on 9 January 2024. They were unable to get through and Aviva arranged for their agents to visit on 10 January. A quote for repair was prepared on 10 January 2024.

On balance, based on the evidence, I'm satisfied that a site visit *did* take place. I recognise that had a representative from T been present at the time of the visit this would have avoided the uncertainty and contention around this point. But I don't find that T's claim has been prejudiced by how the visit took place.

I also note that the claim decision wasn't made immediately following this visit. Instead, further queries were made by Aviva after the site visit. Ultimately, the settlement offer wasn't made off the back of only the site visit and Aviva gave T adequate opportunity to provide further evidence as part of the claim validation and settlement process. Specifically, the parts of the door that weren't glass were queried, as to which could be reused as part of the repair. Conflicting intimation was given to Aviva. For example, initially T told their agent they had been retained (15 January 2024) and then weeks later (12 February 2024) it was stated that they'd been misplaced/stolen.

T has contested the wear and tear of parts (springs). T's broker succinctly put T's objections to Aviva after our Investigator's assessment:

“Door springs and hardware exposed to elements for several months after the event, these items would normally be encased within the door and could have rusted/deteriorated after the event.

Doors & hardware only 3 years old, usually last and warranted for 10+ years so wear

and tear should be minimal.”

I've carefully considered T's point that the premises had only been open a few years. I agree that the age of a part will certainly influence the wear and tear it experienced, but equally the weather conditions they've been exposed to, maintenance and frequency of use will also be other contributing factors. Whilst T has referred to the parts in question being exposed to further adverse conditions after the loss event, a certain level of responsibility (within reason) lay with T to mitigate any further losses after reporting the claim.

I've also noted T's comments in an email to our Service dated 17 October 2024 in which they refer to the condition of parts in the undamaged door. In my opinion this doesn't mean that one door and its' parts wouldn't have experienced more wear and tear in the three years since installation than the other. In any case, the reference to wear and tear was in relation to the door springs, not the handles.

In this case, the photos in isolation wouldn't be enough to say Aviva can fairly rely on the policy exclusion for wear and tear/gradual causes. But when I've considered the photos alongside the other evidence - including from the third party glazing company that visited the site, their comments to Aviva and the circumstances of the damage that gave rise to the claim, on balance, I find Aviva's position on this point to be fair and reasonable - based on the available evidence.

T has also disputed the settlement amount. I agree with T that it's not clear how Aviva interpreted they were claiming for two doors as part of this claim and this will have caused frustration for T. But I don't find this has impacted the claim settlement offered - as the evidence relied on to reach this settlement figure only refers to the one door being claimed for and the scope relied on too.

I also find it was fair for Aviva to calculate this settlement based on T having retained the door fittings (email from T's agent to Aviva dated 16 January 2024) and giving an adequate opportunity afterwards for them to clarify the circumstances of how they became misplaced. Aviva have made T aware that if they've gone missing, T would need to raise this loss separately with Aviva and I note they made T's agent aware of this on 6 March 2024. This was fair.

On balance, I'm satisfied the cash settlement offer was fair and I note it's broadly in keeping with the quotation provided by the third party glazing company on behalf of T, dated 11 January 2024.

The service provided by Aviva may not have met T's expectations, but I don't find it was poor to the extent that compensation for this reason would be fair, reasonable or proportionate. I've also kept in mind that although this claim did take longer than expected, much of the delays were due to Aviva awaiting responses from T when validating the claim.

Summary

Based on the evidence presented by both parties, I find Aviva's position and response to this claim to be fair and reasonable.

My decision will disappoint T, but it brings to an end our Service's involvement in trying to resolve their dispute with Aviva.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask T to accept or reject my decision before 31 December 2024.

Daniel O'Shea
Ombudsman