

## The complaint

Mr C complains that Aviva Insurance Limited mishandled his claim on a mobile phone insurance policy.

## What happened

Mr C had a bank account that gave him certain benefits. One such benefit was mobile phone insurance underwritten by Aviva. That included cover for theft.

However, the policy included the following limitation:

*“Cover is limited to phones that:  
i. have a screen size of less than 7 inches (measured diagonally);”*

Mr C had a folding mobile phone. Unfortunately, he reported that on 21 June 2024, someone snatched it from him, while it was folded. He made a claim on the insurance.

Much of the complaint is about acts, omissions or communications of claim-handlers on behalf of Aviva. Insofar as I hold it responsible for them, I may refer to them as acts, omissions or communications of Aviva.

Aviva said the insurance didn't cover Mr C's phone because of the size of its screen.

By 19 July 2024, Mr C had complained to Aviva that it should cover the claim.

By a final response dated 28 August 2024, Aviva declined to meet the claim. However, Aviva acknowledged that it didn't record Mr C's complaint until 14 August 2024. Aviva said that it was sending Mr C £25.00 compensation to reflect the inconvenience caused by not raising his complaint initially.

Mr C brought his complaint to us in early October 2024.

Our investigator didn't recommend that the complaint should be upheld. She thought that Aviva had fairly considered the claim in line with the policy terms and conditions. She thought that the compensation paid was a fair reflection of the distress caused to Mr C.

Mr C disagreed with the investigator's opinion. He asked for an ombudsman to review the complaint. He says, in summary, that:

- The limitation clause is at least ambiguous.
- The insurer's agent incorrectly asserted that there were previous relevant Ombudsman decisions. He suggests we award a nominal sum, perhaps just £1 to reflect this.
- His contract is with the bank not the insurer.

## 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.

I've taken into account the relevant law, contractual terms, regulation and good practice. Above all, my role is to decide what's fair and reasonable.

The Financial Ombudsman Service investigates a consumer's complaint about acts, omissions or communications of one insurer or other regulated firm at a time. Where we uphold such a complaint, we look at the impact of the unfair acts, omissions or communications on the complainant.

We assess compensation for financial loss or for non-financial loss such as distress and inconvenience. We have published guidelines for assessing compensation for distress and inconvenience. We don't direct firms to pay nominal compensation.

The theft of his phone was bound to cause Mr C distress and inconvenience.

The investigator dealt with Mr C's complaint as a complaint against Aviva. I consider that was correct.

I don't share Mr C's view that the limitation to "*phones that... have a screen size of less than 7 inches (measured diagonally);*" is ambiguous.

I'm familiar with phones like Mr C's. I'm satisfied that it did not have a screen size of less than 7 inches (measured diagonally). So I don't consider that Aviva treated Mr C unfairly by saying that the policy didn't cover his phone.

The final response included a response to Mr C's complaint that Aviva hadn't provided copies of previous relevant ombudsman decisions. When Mr C brought his complaint to us, his complaint form included the following:

*"I have a concern that the Bank asserted apparently on information provided by [claims-handlers] that the Ombudsman has already determined such claims in favour of the insurer. I invited it to provide (anonymised) copies of such decisions but it refused to do so..."*

From what Mr C has said, I accept that Aviva's claims-handlers had incorrectly suggested that there were previous relevant ombudsman decisions. I don't condone that.

However, Mr C has accepted that it didn't cause him any financial loss and he seeks only nominal compensation. I consider that Mr C has fallen short of showing an impact that calls for compensation for distress and inconvenience.

I don't condone Aviva's delay in recording Mr C's complaint. The impact on him included that he didn't receive an acknowledgement of this complaint, so he had to chase it up.

Nevertheless, the final response was well within the eight-week deadline under the Financial Conduct Authority's dispute resolution rules. Further, Mr C's complaint form said that he had accepted the £25.00 for the delay.

Overall, I don't conclude that it would be fair and reasonable to direct Aviva to meet the claim or to pay Mr C any further compensation for distress and inconvenience.

**My final decision**

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Aviva Insurance Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 11 March 2025.

Christopher Gilbert

**Ombudsman**