

The complaint

Ms P, who runs a small business, has complained about Aviva Insurance Limited. Aviva provides the insurance for her business premises and she thinks it's acted unreasonably regarding a claim she made when there was a break-in.

A broker has been representing Ms P in this claim and complaint. For ease of reading, I'll only refer to Ms P in this decision.

What happened

There was a break-in at Ms P's business premises in August 2022. She made a claim to Aviva. Aviva asked Ms P to provide certain information, including quotes for resolving damage reportedly done, during the theft, to the premises' CCTV and alarm system. A memory stick was sent to Aviva by post and reviewed by it in March 2023.

Aviva was concerned that Ms P's quote for the damaged systems, which were thought to be only a few years old, was for full replacement rather than repair. Aviva asked the company which had provided the quote to revisit the property and undertake an assessment of the systems. The report returned was that they could be repaired. The cost of repair was estimated at under £2,000, with Aviva noting the replacement quote was around £15,000.

When Aviva put it to Ms P that it thought the system could be repaired, Ms P wasn't happy with that – she believed parts or all of it was obsolete and that the repair report wasn't persuasive. Aviva said, in that event, it would want to appoint another expert. Ms P didn't think that was fair, that there'd been enough visits already.

Aviva issued a final response letter on 22 April 2024, stating it remained of the view that a further visit, by a different company, was reasonably required. But it acknowledged some poor handling by it, including miscommunication and delay, for which it said it would offer £650 compensation.

Ms P wasn't happy with that reply and complained to the Financial Ombudsman Service.

Our Investigator thought a further visit was reasonable in the circumstances. He noted there had been delays and felt Aviva's offer of £650 compensation was also fair and reasonable. So he wasn't minded to make it do or pay anything more.

Ms P said she had made adjustments since the theft to make the systems work and that Aviva should have ensured the assessment was done thoroughly the first time to avoid the need for multiple visits to be made and allowing delays to occur. She doesn't think it's reasonable for another assessment to take place now, especially not when it's been shown the systems are obsolete.

The complaint was referred for an Ombudsman's 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.

I appreciate that this claim has been on-going for a long time. I can understand that Ms P is frustrated and that she believes the systems damaged in the break-in just need to be replaced. She might be right. However, I can't reasonably blame Aviva for wanting to complete further checks in the circumstances here, even at this late stage.

I can see that the issue at the heart of this dispute is the available expert evidence about the damaged systems. Ms P was initially asked by Aviva to obtain a quote to allow it to assess the loss. She asked a company "X" to provide a quote. The quote from X said it had quoted based on replacement at Ms P's request. Ms P told Aviva that X had told her the system needed to be replaced.

I think it was reasonable that Aviva then made enquiries about the need for replacement of the system. When Aviva spoke to X, X said Ms P hadn't wanted it to assess the systems, just to quote for replacing them. I know Ms P had shown some detail to Aviva that at least one of the systems had been superseded, so it was now "obsolete". But I don't think that reasonably means it won't be possible to repair such a system. Aviva asked X to reattend and assess the system to see if it needed to be replaced or could be repaired. I'm satisfied that was reasonable.

I'm also satisfied though that, once Aviva had that report and Ms P had challenged it, it was reasonable for Aviva to want another assessment to be done, by a different company. Aviva couldn't reasonably have known what X's report would contain once it had completed its assessment – as it had seen the system originally it was reasonable to use it initially to complete an assessment. But the content of its report once received, wasn't wholly persuasive – using phrases such as "suspect" a repair would be successful. I think Aviva fairly listened to Ms P's concerns raised about this report. In that instance I'd expect Aviva to act reasonably to find a way to clarify what was needed – a repair which an expert had suggested was possible, or a replacement which Ms P said the same expert had recommended on the grounds the systems were obsolete. Aviva felt appointing a different company to assess the damaged systems was a good way forward. I'm satisfied that was fair and reasonable.

Aviva's request for or suggestion of that further visit by a different company was only confirmed in April 2024, around the time of its final response letter. I appreciate that was around 20 months after the loss in August 2022. But there was clearly some uncertainty here about what was required to resolve the damaged systems, with the two potentially available options presenting at substantially different costs. I'm also mindful that it was Ms P who introduced X initially, with her providing the initial quote from it. As I've said I think it was reasonable for Aviva to ask it to re-attend and assess the systems. But it was never acting for Aviva as its agent. So I can't reasonably attach any blame to Aviva for any perceived failure in X's reporting.

Clearly this claim has gone on for much longer than Ms P would ever have reasonably expected. Aviva has accepted it has caused delays at times. And that there's been some miscommunication. It's offered £650 compensation and I think that is fair and reasonable. I'll require Aviva to pay this now (if it hasn't done so already).

My final decision

I require Aviva Insurance Limited to pay £650 compensation. For the reasons set out above, I don't require it to do or pay anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 17 April 2025.

Fiona Robinson
Ombudsman