

## **The complaint**

Mr D, trading as a business I will refer to as G, complains about the decision of Aviva Insurance Limited not to add his son, who I will refer to as Mr R, to his commercial motor insurance policy.

## **What happened**

The parties are aware of the circumstances leading to this complaint, so the following is intended only as a brief summary.

G operates in the motor industry and holds a motor trade policy underwritten by Aviva. In previous years, the policy was provided on the basis that all employees of G were covered whilst driving G's vehicles. As Mr R is an employee of G, this included him. However, at the point the policy renewed in 2023, Aviva decided that it was no longer willing to provide the policy on these terms. And the policy was renewed on the basis that it only covered certain named drivers. Mr R was not included within this list of named drivers, so he is not insured under the policy.

Aviva's decision was made following a claim event that involved Mr R and a vehicle that may or may not have been owned by G. There was a police investigation into the circumstances surrounding this claim. G has previously complained about Aviva's decision to only offer renewal terms on this named driver basis. The complaint was considered by the Ombudsman Service, but was not upheld as the Investigator considering the complaint felt that Aviva was entitled to exercise its commercial judgement when cover was renewed.

Since then, the police investigation into the claim event has apparently concluded, and it does not seem that any action will be taken by the police against Mr R. So, G asked Aviva to add Mr R onto the policy. However, Aviva said that it was not willing to do this. It said that, just because the police process had concluded, this did not alter its position on considering Mr R posed a risk that Aviva was unwilling to insure. G complained about this, and has said that the ongoing nature of the claim means that G is unable to obtain insurance elsewhere that would cover Mr R – so is also unhappy about the fact the claim has not been resolved.

It should be noted that G has also previously complained about delays in the claim progression. And the delays and claim handling up until autumn 2024 have already been investigated by the Ombudsman Service. So, this decision will be limited to considering the events since this point.

Our Investigator considered the current complaint. He thought that it was for Aviva to determine whether or not to insure Mr R, and in deciding that it did not want to insure Mr R, Aviva was exercising its commercial discretion fairly and reasonably. However, our Investigator did think that Aviva ought to have made a decision in relation to the ownership of the vehicle that had been involved in the claim event. And if this does not resolve the claim, Aviva should move forward to obtain and consider any outstanding information it needs. Our Investigator did not consider there had been a significant delay, that required compensating, since the period he had considered on the previous complaint though.

Neither Mr D nor Aviva were entirely satisfied with this outcome though. And as our Investigator has been unable to resolve the complaint, it has been passed to me for a 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.

Having done so, I have reached the same outcome as our Investigator, largely for the same reasons.

Both parties have provided detailed submissions, covering a number of points. I have considered all of these. But I will not comment on each point. Instead, I have focussed on what I consider to be the key issues. This is not intended as a discourtesy, but rather reflects the informal nature of the Ombudsman Service.

#### The decision not to add Mr R

As I have already said, the Ombudsman Service has already considered the events at the 2023 renewal of the policy, where Aviva decided that it was unwilling to offer terms covering Mr R. The current complaint is limited, in this aspect, to considering whether Aviva's more recent decision not to add Mr R onto the policy that G took out is fair and reasonable.

Ultimately, it is for an insurer to determine the risks it is willing to provide insurance for. I appreciate G's position that the police investigation into Mr R seems to have concluded. But Aviva's decision not to include Mr R on the cover was not limited to the existence of this police report. So, just because the police element of the process has now concluded, it doesn't mean Aviva ought to now insure Mr R.

I do note that G has said that it is between a rock and a hard place, and is unable to take out cover elsewhere that would include Mr R, due to the open nature of the claim and because Aviva has refused to cover Mr R, which G may be required to declare. However, whilst I recognise that these issues might lead to a higher price for insurance, I have seen nothing to demonstrate that obtaining cover would not be possible. So, I do not consider it would be fair or reasonable to direct Aviva to add Mr R onto G's policy.

I appreciate the current situation is causing difficulty for G in its operations. And I also note the impact this situation is having on Mr D and his personal responsibilities. He does have my sympathies for this. But this does not mean that I consider Aviva has acted inappropriately here. And I am unable to direct them to do anything different in terms of adding Mr R to the cover provided to G.

#### The open claim

Aviva has provided some of the information it has around the ownership of the vehicle involved in the claim event. And it seems that it has also now obtained a copy of the police report. However, Aviva has said that it is still unable to make a decision on the claim.

Aviva has not though made it clear what further information it requires, nor whether this has been requested and/or chased.

Having considered the evidence that Aviva has shown that it currently has, I do consider it ought to make a decision on the ownership of the vehicle and the liability in relation to the claim. It cannot take the position that it does not have all of the evidence it might need,

without demonstrating what that evidence might be or that it is appropriately pursuing that evidence.

Making a decision at this point, and explaining that decision to G, will hopefully allow the claim process to move forward to completion. And I am not persuaded that it is fair and reasonable that Aviva should hold off making this decision. It may be that the decision leads to further evidence being submitted by G, which Aviva can then take into account to see if its decision needs to be revised or not.

That said, at the point the current complaint was made, I do not consider there had been excessive delays that would fall into consideration under this complaint. So, I do not consider further compensation is needed for this.

### **Putting things right**

Aviva Insurance Limited should make a decision on the vehicle ownership and communicate this to G. If Aviva determines the vehicle is insured under the policy, it should also make a decision on liability and communicate this to G.

### **My final decision**

My final decision is that I uphold this complaint in part. Aviva Insurance Limited should put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask G to accept or reject my decision before 28 April 2025.

Sam Thomas  
**Ombudsman**