

## **The complaint**

Mr and Mrs M complain that their broker Aon UK Limited delayed a claim they made on their commercial property insurance. They also complain about Aon UK Limited's role in their claim being settled proportionately.

Reference to Aon includes its agents.

Mr and Mrs M are joint policyholders, but for ease of reading, throughout the body of this decision, I'll simply refer to both as Mr M.

## **What happened**

Mr M held a commercial property insurance policy arranged through Aon.

When one of their properties was damaged, they made a claim to the insurer, a firm I'll call B.

When dealing with the claim, B thought Mr M was underinsured. It said the sum insured wasn't enough and as a result said it would only be paying a proportion of Mr M's claim.

Mr M complained about the part Aon played in that. He says he was never told that the declared value needed to include the cost of the rebuild of the property. He thought it just meant the value of the property were it to be sold.

Mr M also complained about delays at the start of his claim. He thinks Aon's actions meant the claim was delayed and meant that B appointed a loss adjuster later than it would have done had no delays been caused. He said this meant he was without use of the property for longer than necessary.

Aon didn't think it had done anything wrong in relation to the property being underinsured. It said it sent detail at every renewal highlighting the risk of underinsurance and the need to make sure the sum insured was accurate. It said ultimately this was Mr M's responsibility to get right. Turning to delays, Aon didn't think it caused any.

Mr M didn't think this was fair and brought his complaint to the Financial Ombudsman Service.

Our Investigator recommended it be upheld. She didn't think Aon had done anything wrong in terms of the property being underinsured. But she thought it was responsible for some delay. She recommended Aon pay Mr M £250.

Aon agreed with that assessment. Mr M didn't and asked for an Ombudsman's decision. He said he relied on calls with Aon and as a result didn't read all the documentation sent – because he didn't think he needed to.

## **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 come to the same outcome reached by our Investigator, for broadly the same reasons.

It's worth noting here that I'll not be commenting on every bit of evidence or argument raised. Instead, in line with our role as an informal service, I'll comment on what I consider key.

#### *Aon's role in the proportionate settlement of Mr M's claim*

Ultimately the decision to proportionately settle Mr M's claim is B's, not Aon's. I'm not looking into that complaint, so I'm not making a finding on whether that's fair or otherwise.

What I need to consider is Aon's part in arranging the policy and how that impacted that decision by B.

As I understand it, B took the decision to proportionately settle Mr M's claim because it thinks he's underinsured. It thinks that because on assessing the claim, it thinks the property is worth more (or would cost more to reinstate) than the amount listed on Mr M's schedule.

Mr M thinks Aon played a part in that. Specifically, he alleges, Aon never made it clear to him the difference between the value of the property (as in what it would cost to purchase it), and the sum insured (the cost to rebuild it). It says in calls he told Aon that his declared value was based on an average of two estate agent estimates and thinks Aon should have corrected him.

Aon on the other hand says it made it clear that it was not responsible for the figures, Mr M was. It said it sent Mr M multiple documents outlining the risks of underinsurance and the importance of getting the sum insured right.

I've not been provided a copy of the exact question Mr M was asked when taking out this policy. But I have seen that Aon did send a lot of documentation setting out the importance of getting the right sum insured. I've also seen the proposal which was sent to Mr M which clearly shows the relationship between declared value and sum insured. With the sum insured being a value increased from the base declared value.

Ultimately, I'm satisfied it was Mr M's responsibility to make sure the sum insured was adequate, and I think he was given enough information to allow him to find that out if he wasn't sure. I take his point about letting Aon know his answer was based on estimates from two estate agents. But I'm not persuaded that's enough to alert Aon into telling him that's the wrong value to use. Because it may well not have been the wrong value. And, as explained, it wasn't Aon's place to verify, provide or question that value, only to give Mr M enough information to understand the importance of giving a reasonably accurate value and to know that he'd need to determine that value himself. Something I'm satisfied it did.

#### *Delays in the claim*

Aon has acknowledged, by way of accepting our Investigator's assessment, that it was responsible for some delays. Mr M's claim was made at the start of June, but it wasn't until November that B appointed a loss adjuster.

That's quite a long time and I'm satisfied Aon played a part in causing that delay. There were times where it was slow to respond to B's request, and at times it chased progress before responding to what was needed from B. Undoubtedly this added to the time it took B to move the claim forward.

That said, the claim would have always taken some time to progress, there was a query about what would be covered based on the policy, that needed resolving. And B did make some legitimate requests for information that needed responding to too.

It's not possible to know exactly when a loss adjuster would have been appointed had Aon not caused the delays it did. There's overlap with communications which makes this tricky. But I'm satisfied it delayed the claim by, at most a period of two to three months. For that, I'm satisfied the £250 compensation recommended by our Investigator is reasonable; it's in line with our guidance and other awards we've made in similar circumstances.

### **My final decision**

For the reasons set out above, my final decision is that I uphold his complaint. Aon UK Limited should pay Mr and Mrs M £250 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr M to accept or reject my decision before 16 October 2025.

Joe Thornley  
**Ombudsman**