

The complaint

Mr T complains about the way Aviva Insurance Limited dealt with a claim on his mobile phone insurance policy.

Where I refer to Aviva, this includes its agents and claims handlers acting on its behalf.

What happened

Mr T made a claim on his policy after he lost his phone. When he spoke to the claims handler, they told him he needed to put his phone in 'lost mode' before they could validate his claim, but Mr T wasn't able to do this.

As a result, the claim wasn't validated and Mr T didn't receive a replacement phone. He complained but Aviva didn't change its decision.

After Mr T referred his complaint to this Service Aviva said, while the decision was correct, it could have handled things better. Aviva made an offer of £50 compensation.

Our investigator said the claim had been handled in line with the policy terms. She agreed the compensation offer in relation to the service provided to Mr T was fair. He disagrees and has requested 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.

The relevant industry rules and guidance say insurers must deal with claims promptly and fairly, support a policyholder to make a claim, and not unreasonably reject a claim.

The starting point when deciding whether the claim was dealt with fairly is the policy terms, which set out the terms of the insurance contract agreed between Mr T and Aviva. Insurance is always subject to terms and conditions that limit the insurer's liabilities to its policyholders.

Having considered the policy terms I'm satisfied it was reasonable for Aviva not to settle the claim, for the following reasons:

- The policy terms include details about what a policyholder needs to do if they wish to make a claim and this includes:
"If your device has the functionality, activate any location finder app or software to help you in retrieving it."
- Terms like this are not unusual with mobile phone insurance and I don't think this term is unreasonable; it helps reduce the risk for insurers. But if a policy requires this, insurers should make this clear in the information provided and tell consumers what they need to do. This is set out clearly in the policy booklet, and Aviva also provides

information for policyholders, including instructions on how to put their phone into lost mode and useful links to iCloud and 'Find my' services.

- When Mr T called to make his claim, the claims handler explained what he needed to do. They told Mr T the 'Find my iPhone' function wasn't active and asked why that was. Mr T said it he thought it was turned on. The call handler asked Mr T to put his phone into lost mode, but he wasn't able to do that.
- Mr T was unclear about what he needed to do. The claims handler said he needed to log into his iCloud account and if his phone was there, he should be able to click on it and put it into lost mode. Mr T said he couldn't log into his account as he couldn't remember his password, so the call handler suggested he contact Apple and re-set his password.
- Mr T has said the call handler advised him to contact Apple, knowing they wouldn't be able to help. When Mr T said he didn't know his iCloud log in details, the call handler said he would need to contact Apple for this. I don't think they were advising him to contact Apple to activate Find my iPhone; they were explaining how to put the device in lost mode and that he would need to contact Apple if he couldn't log into his account.
- There was a further call where Mr T said he still hadn't been able to get into his account. It's clear Mr T was having difficulty getting into his account and found the whole process confusing. But there was a limit to what Aviva could do. Mr T was told what he needed to do and ultimately it was for him to access his iCloud account, and ensure his phone was activated and put into lost mode.
- For these reasons, I don't think the way the claim was handled was unreasonable; Aviva explained to Mr T what he needed to do to validate his claim and it was ultimately for him to deal with that.
- An insurer can decline a claim when a policyholder doesn't comply with a policy condition, if the circumstances of the claim are connected to not complying with that condition. Not having the Find my iPhone feature active meant Aviva wasn't able to validate Mr T's claim. So I think not adhering to the policy condition is connected to the claim.

Having said that, and while Aviva's claims handlers were trying to explain to Mr T what he needed to do, they could have shown more understanding and empathy, when it was clear how difficult he found the process. He's explained that he has health issues and when he couldn't claim for his lost phone that made things more difficult for him.

I appreciate how distressing it was for him. While Aviva isn't responsible for his situation, it was made more difficult. Having taken into account all the circumstances, I think the offer Aviva has made is a fair reflection of the additional distress caused to him.

My final decision

Aviva Insurance Limited has made an offer to pay £50 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that Aviva Insurance Limited should pay £50.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 23 March 2026.

Peter Whiteley

Ombudsman