

complaint

Miss M complains about the way Aviva Insurance Limited has settled a number of claims she's made on her home insurance policy.

background

Between 2009 and 2012, Miss M made four claims on her home insurance policy for various items, including a damaged laptop, camera, a stolen pen and jewellery. Aviva accepted the claims and made offers to settle the items Miss M has claimed for.

In 2017, Miss M complained to this service that her claims hadn't been resolved with satisfactory offers, despite her raising them a number of years ago. She explained she'd faced a number of health issues over the years and had been dealing with very difficult family matters during this time.

It wasn't until 2020 this service was able to look into a complaint for Miss M. Our investigator found that in 2016, Aviva had collated all of the offers from the various claims into one letter.

As they were all separate claims, Aviva explained each claim would be paid minus the policy excess. Aviva said that for most of the items being claimed for, Miss M hadn't been able to provide any documentation from the purchase to help with valuation. It also said some items, such as a parker pen had been discontinued. So for items such as those, it used market research to come up with the offers.

When Aviva looked into the claims again in 2016, it did increase the market value of those items to reflect the replacement cost in 2016. To settle the claim for all of Miss M's items it offered around £3,600 for all of the items, net of policy excesses.

Miss M has said she'd sent her laptop and camera to Aviva and it had lost them, she maintains she'd like a replacement for both, or a cash offer that represents the current market value. She's concerned Aviva are trying to put her claims together in order to pay her less money than she's owed.

When our investigator looked into the complaint, Aviva offered an additional £250 for any distress or inconvenience caused to Miss M for not having the laptop and camera for an extended period of time. Our investigator thought Aviva had made reasonable offers for the items given the evidence it had. She didn't think it was possible to replace the camera, and said it was fair for Aviva to use the 2016 figures to settle the claim, even if the laptop was now worth more than in 2016.

Miss M didn't agree. She said the laptop was now worth over £2,000. She's said she'll accept a replacement of the camera and the laptop (that are new and not refurbished). She's also said she doesn't think everything she's claimed for has been considered in the offers.

As the matter hasn't been resolved, it has come to me to decide. Since the complaint has been referred to me, Aviva has issued a payment to Miss M for part of the claim.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Under Miss M's policy, Aviva has the right to settle claims in a number of ways including replacing an item or providing a cash settlement.

It's been a number of years since the claims for the camera and the laptop were made. So some of the correspondence from the original claim is now unavailable. I understand this will be upsetting for Miss M to hear, but there are rules businesses need to follow around retaining information and the length of time it keeps documents. So it's not unreasonable that some of the original correspondence hasn't been provided to this service.

Miss M's policy says that for successful claims, replacement will be on a like for like basis. I've been provided with the letter Aviva sent to Miss M in 2016. This says she was offered a replacement camera, but Miss M declined it as she didn't think it was a suitable replacement. The particular brand of camera which Miss M had doesn't appear to be sold on the high-street anymore. And I can't find any evidence to suggest it's still manufactured. But I have seen on second hand websites that this camera is available to buy. Aviva settled on a cash offer of around £390 for the camera, less the policy excess. Based on what I've seen on second-hand websites, this is a fair offer. So I'm satisfied Aviva's offer for the camera was reasonable.

Miss M has asked for a new replacement laptop as the brand she has now sells laptops for around £2,000 and Aviva has offered her £1,900, less the policy excess. Aviva has a number of options available to it to resolve the claim. In 2016 Aviva looked at the current retail value of a laptop similar to the make and model and increased its offer to match this. I think this was reasonable for Aviva to do and would have enabled Miss M to replace her laptop in 2016.

I can't see that she asked Aviva for a replacement rather than the cash offer at the time. But even if she did, Aviva can choose to cash settle a claim if it wants to. So overall I haven't seen anything which makes me think its offer is unfair. Whilst the laptop may be more expensive based on today's current prices, it wouldn't be fair to ask Aviva to increase its offer as I'm satisfied it made a reasonable one in 2016.

There are several other items covered by other claims, such as stolen cash, a purse and a parker pen. Based on the information Aviva had in 2016, I haven't seen anything to suggest the amounts offered are unfair. I appreciate a lot of time has passed, but Miss M hasn't been able to provide anything which suggests the amounts are too low. So it doesn't need to offer anymore to settle the claims.

Miss M has said she doesn't think all of the things she claimed for are covered. She's sent us her diary notes from the relevant years. Having looked at those notes, I can't see anything mentioned that isn't accounted for in the offers Aviva has provided. So I'm satisfied Aviva has made offers for all the items Miss M raised with it.

I understand Miss M has had many difficulties with hers and her family's health over the last few years. I want to reassure her that I'm satisfied Aviva has acted fairly in trying to resolve her claims. In 2016, it put all of the offers into one letter, I'm satisfied this was to help move the claims forward for her, not to try and pay her less money than she was entitled to.

These claims have gone on for a long time, and Miss M has said she's lost income as a result of not having some of these items. Aviva has offered £250 for any unnecessary inconvenience its caused Miss M, I'm not going to ask them to pay anymore than that. I'm satisfied the offers it made in 2016 were fair and reasonable, and whilst I acknowledge Miss M's health issues, I don't think Aviva are responsible for delays in settling the claim after 2016.

In total, Aviva has offered £3,666, net of the policy excesses to resolve the claims. Aviva has already sent Miss M a cheque for part of her claim. To settle the rest it should issue the remaining payments.

my final decision

My final decision is that Aviva Insurance Limited needs to pay £3,666 to settle the claim, less any amounts already paid. It should also pay £250 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 23 April 2021.

Michelle Henderson
ombudsman