

The complaint

Mr D has complained about the claim settlement made by Aviva Insurance Limited, and about the service he received.

What happened

The facts are well known to the parties. In summary Mr D claimed under his jewellery insurance when an insured watch was stolen. Aviva accepted the claim, but paid Mr D less than he said that watch was worth. Unhappy, he referred his complaint here.

Our investigator didn't recommend that it was upheld, she felt that the claim payment was fair. Mr D appealed.

Mr D is represented by Mrs D, but for simplicity I will just refer to representations as being made by Mr D. Likewise any reference to Aviva also includes its agents.

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 policy terms state *'For pre-owned or second hand watches the value provided must represent the amount to replace the watch with one of a similar age and condition in the UK.'* From the evidence I have seen regarding pre-owned watches of the same specification I'm satisfied that the settlement Aviva made was fair. I have taken into account that the advertised prices vary, but the evidence before me doesn't support the argument that a replacement watch would cost £10,000. In the circumstances I find that settling the claim for the sum Mr D paid for the watch, less the policy excess, was reasonable.
- Mr D increased the insured value of the watch as he had a valuation for £10,000. Unfortunately this wasn't from a National Association of Jewellers Registered valuer. Mr D's policy provides cover for theft if substantiated by *evidence of ownership* and/or a *jewellery valuation*. These terms are defined in the policy and a jewellery valuation is defined as: *'A valuation completed within the last 3 years and completed by a National Association of Jewellers Institute Registered valuer'*. This therefore is a policy requirement. After the theft of the watch, Mr D offered to get a second valuation and paid for this. Although the second jeweller was registered and agreed with the valuation of the first, it hadn't seen the watch.
- It's unfortunate that Aviva initially agreed to accept a valuation after the theft, this raised Mr D's expectations and caused expense and inconvenience. A valuation without having seen the watch wouldn't have been acceptable. I find that is reasonable. But Aviva later apologised and offered to refund the fee paid. It also offered to refund the increased premiums paid following the mid-term increase in cover to £10,000. I find this was fair.

- I understand why Mr D was unhappy - the watch had been discontinued and he believed the value had increased. But without a jewellery valuation meeting the policy requirements, I don't find Aviva treated Mr D unfairly or contrary to the policy terms by settling the claim for the watch's purchase price.

My final decision

For the reasons set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 3 November 2023.

Lindsey Woloski
Ombudsman