

The complaint

X and Mr O have complained that Aviva Insurance Limited ('Aviva') mis-sold their home insurance policy. For the avoidance of doubt, the term 'Aviva' includes its agents and representatives for the purposes of this decision.

What happened

X and Mr O unfortunately suffered a break-in at their home in April 2023. They reported the matter to Aviva with whom they insured their property at the relevant time. X and Mr O said that the loss was valued by Aviva at over £10,000 but that the insurance cover for valuables was limited to £10,000. X and Mr O said that they weren't told about this limit by Aviva when they took out the policy. They considered that the policy documents were unclear and misleading. They therefore wanted their claim to be met in full.

X and Mr O complained to Aviva however Aviva didn't consider it had treated X and Mr O in an unfair or unreasonable manner. In the circumstances, X and Mr O referred their complaint to this service. The relevant investigator didn't uphold their complaint. She didn't consider that Aviva had made an error in setting up the policy. She considered that policyholders had responsibility to ensure the policy was suitable for their needs. She also noted that the relevant policy documents showed the limit for valuables to be £10,000, which could however be increased to £20,000.

X and Mr O were unhappy with the outcome of their complaint. The matter has therefore been referred to me to make a final decision in my role as Ombudsman

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 key issue here is whether Aviva mis-sold the relevant policy. I don't consider that it did, and I can't say that Aviva otherwise acted in an unfair or unreasonable manner. I'll explain my reasons for not upholding X and Mr O's complaint as follows. In reaching this decision I've also considered the submissions of both parties as summarised below.

X and Mr O said that the problem didn't become apparent until after they'd made the insurance claim in 2023. In essence, X and Mr O considered that Aviva hadn't paid out an adequate sum following their theft claim. They said that the sum offered wouldn't in any way cover their losses or to enable them to replace their stolen belongings. In the circumstances, they considered that Aviva had mis-sold the insurance policy to them. They considered Aviva's quotation and sales documents to be inconsistent, misleading, and contradictory.

They said that they'd filled in an on-line form on the relevant website to obtain home and contents insurance. Mr O said he'd had problems completing and submitting the online form, which he thought was due to a flaw in Aviva's internal systems, so he sought assistance from Aviva's representative. He said that some of the pre-filled on-line details were checked by Aviva, but not all relevant aspects. X and Mr O thought that this is where the level for

valuables was missed. They thought that Aviva's failure to check and confirm all relevant aspects meant that Mr O's attention; *'was not drawn to the crucial aspects of the insurance notably the specific limitations'* on valuables.

X and Mr O had taken out home insurance for over 25 years, with the majority of these being a mixture of over the phone and online. They'd never previously accepted such a low limit for valuables. They said that on each other occasion, the salesperson would *'thoroughly verify and confirm both the building and content of the insurance with me to ensure they were adequate and correctly filled out before finally signing it off or clicking the submit button.'* Additionally, the Aviva representative advised that hard copies of the completed insurance documents would be sent by post to show details of cover. However, X and Mr O said that this didn't happen although they've received other correspondence from Aviva. They considered there to be no evidence that Aviva had a system in place to ensure all mail was sent and arrived with customers.

X and Mr O considered that the insurance quote document was different from the actual insurance that had been sold to them. They said that the former was taken from the website which referred to content insurance of £50,000; *'and in no way indicated a possible graduation, which reinforced my belief that the content coverage was adequate.'* They said there was contradictory information on the website also which referenced £55,000. They felt that the upfront presentation of content coverage at this level was made deliberately to mislead customers and potential customers. They also felt that there was no clear definition, description, or explanation of what might constitute valuables. They would have considered £10,000 inadequate if they'd been told at the time of purchase and felt documents such as the product information document to be *'unclear, contradictory, and grossly misleading.'* They thought that the sales representative should have taken time to explain critical parts of the policy to customers and not selectively explain.

Finally, X and Mr O said that they'd asked for the insurance details to be emailed, but the representative refused, *'with the advisor saying that it was only going to be posted, only for the alleged mail not to be received.'* They considered it onerous to expect customers to have to chase insurers for insurance documents and said this isn't what they'd previously experienced of the insurance industry, where insurers would provide details and follow up with several emails after sale. They hadn't asked, because they thought the sum of £50,000 as presented, would cover the needs.

I now turn to Aviva's response to the complaint. As to the two separate figures referenced by X and Mr O, it said that X and Mr O had completed two on-line quotations, two days apart. The first was for £55,000 and the second for £50,000. It said that both quotes included Aviva's standard cover for valuables with a limit of £10,000. This had an option to increase this to a maximum of £20,000. In its final response letter, Aviva said, *'As a consumer it is your responsibility to read the policy information on-line'* and that *'this includes policy limits...'*

Aviva stated that from the sales call, its representative had asked if Mr O wanted the details checked and in response, Mr O asked if Aviva could do a better deal, and the representative then checked back with Mr O as to certain property information. A discussion also took place about the type of cover in place. Aviva acknowledged that there had been no discussion regarding valuables but said that it would not expect to do so on this type of call.

As to X and Mr O's argument that they hadn't received the original policy documents, Aviva stated that its records showed that the documents were sent on a specific date at the end of October 2022. It said that they were sent via the royal mail postal service, and that there was therefore a clear audit trail to show that the policy documents were sent.

As to other relevant documents and evidence, I've considered the detailed Aviva case-notes regarding the matter as well as the relevant telephone call record when the policy was set up. The notes refer to the fact that X and Mr O had obtained two on-line quotes from Aviva, both of which provided cover of £10,000 for valuables. They also record that its policy offer was based on the information inputted online by X and Mr O. It said that the system asked if the valuable limit was suitable and gave the option to increase this to £20,000. It also asked if there was any single item valued at £1,500.

Having considered the above evidence and submissions, I now provide the reasoning for this final decision. The starting point is the insurance documentation, and in particular the terms and conditions of the policy, which form the basis of the insurance contract between the insurer and the customer. Whilst it can be a time-consuming and challenging process for consumers, there is an expectation that the consumer will check terms and conditions carefully and read through policy documents to assure themselves that the selected cover suits their requirements. This is particularly where relevant information is inputted online by the customer to produce a quote.

I appreciate that where the quote process has been commenced on-line and then completed by telephone, that this may have created an expectation that further support and guidance would be provided by Aviva. Mr O felt that the specific limitation on valuables was a crucial aspect of the insurance which Aviva should have drawn to his attention. I do have some sympathy with X and Mr O's position in this respect, and I agree that best practice would have been for Aviva to have re-stated on the telephone all the cover and limits which had been recorded within the on-line quote. This would have provided a useful double-checking facility. Nevertheless, I remain of the view that the customer has the primary duty to check the details and limits when purchasing a policy when its partly on-line and partly over the phone. I therefore can't say that Aviva acted in an unfair or unreasonable manner by not spelling out what had been inputted by Mr O during the quote process.

As to X and Mr O's complaint that they hadn't received the hard-copy documents in the post in order that they would be crystal clear about the selected cover, I have no reason to doubt that Aviva sent out the policy documents in the post. I also have no reason to doubt that X and Mr O may not have received the documents and were somehow lost in transit. I also appreciate what X and Mr O say, that they've not previously needed to chase documents from insurers. However, I conclude that in relation to the policy, it would be reasonable to expect that the customer would follow up such an important document if it wasn't received promptly in order to check that the cover meets their needs.

As to the Insurance Product Information Document ('PID'), X and Mr O said that this played a significant role in the decision to take the cover. They considered the PID to be misleading. Again, unfortunately for X and Mr O, I consider that it would have been reasonable for them to check the on-line information and the policy documents to satisfy themselves as to the level of cover in place. A PID is only intended to provide a brief summary of the policy cover. If there had been any concern or doubt, then there was an opportunity to ask questions about on-line cover limits or the nature of 'valuables' in the telephone call to Aviva. I therefore can't say that Aviva acted in an unfair or unreasonable manner in this respect.

My final decision

For the reasons given above, I don't intend to uphold X and Mr O's complaint and I don't require Aviva Insurance Limited to do any more in response to their complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask X and Mr O to accept or reject my decision before 1 January 2024.

Claire Jones
Ombudsman