

The complaint

Mr K complains that Aviva Insurance Limited (Aviva) failed to repair his car in full after an accident, and caused delays that impacted on its market value, under his motor insurance policy.

What happened

Mr K was involved in a car accident in July 2023. He made a claim to Aviva, and it arranged for his car to be collected and repaired on 9 August. It was returned on 17 August, but Mr K noticed a number of issues that required remedial work. His car was collected for a second time on 25 August and returned to him on 1 September. He says there were still aspects of the repairs that hadn't been finished satisfactorily.

Mr K says he contacted Aviva again about the substandard repairs. An inspection was arranged by an engineer appointed by Aviva. He says there were delays arranging this. His car was then collected on 13 October 2023 and returned for a final time on 25 October. Mr K says the repairs were completed to a satisfactory standard on this occasion. But he complained to Aviva about the hassle and inconvenience he'd been caused by the previous poor standard of repairs.

Mr K also complained that the value of his car had decreased over the time it took to repair it properly. He asked Aviva to pay him the difference based on valuations he'd obtained from one of the industry trade guides.

In its final complaint response Aviva acknowledged Mr K's car had to be returned to its garage on a number of occasions. It says its claims and bookings teams also provided a poor standard of communication. Because of these failings it offered him £450 in compensation along with an apology for the stress and inconvenience he'd experienced. However, Aviva says it needs to see further evidence to support Mr K's claim for "*loss of sale/opportunity*".

Mr K didn't accept Aviva's response to his complaint. It subsequently offered to increase its compensation payment to £550.

Mr K didn't think he'd been treated fairly and referred the matter to our service. Our investigator didn't uphold his complaint. She says there's no dispute that the garage appointed by Aviva didn't repair Mr K's car to a good standard initially. This resulted in delays, and he wasn't always kept updated. But she thought the compensation Aviva offered for £550 was fair.

Our investigator didn't think Mr K had shown that he'd suffered a financial loss regarding the depreciation in the value of his car. She says although it was clear he intended to sell it, he hadn't agreed a sale. She also says there are a number of different trade guides that may have given different values. Our investigator wasn't persuaded that Mr K had shown he'd suffered a quantifiable loss, so she didn't think Aviva needed to pay anything further.

Mr K disagreed and asked for an ombudsman to consider his complaint.

It has been passed to me to decide.

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'm not upholding Mr K's complaint. I'm sorry to disappoint him but I'll explain why I think my decision is fair.

There's no dispute that Mr K's car wasn't repaired to a satisfactory standard by Aviva's appointed repairer. The car was first taken to its garage on 9 August 2023. It had to be returned on two further occasions for remedial repairs. The repairs weren't completed in full until 25 October.

We expect Aviva to handle claims effectively. It didn't do that here. Mr K's car should've been repaired to a satisfactory standard when it was returned to him on 17 August 2023. Because of the substandard work Mr K had to wait around nine more weeks. I can see from the claim records, and from reading Mr K's testimony, that he contacted Aviva numerous times in order to progress matters and to obtain updates on his claim. This has clearly been a frustrating experience and has caused him inconvenience. Again, this isn't disputed by Aviva.

In these circumstances I think it's reasonable that Aviva pays Mr K compensation for the frustration and inconvenience he was caused. Most accident claims will involve some level of inconvenience. But Aviva's failure to handle Mr K's claim effectively meant this has had a greater impact than it should have. I've thought carefully about the payment Aviva offered. I think this is fair and aligned with our services established approach. So, I won't ask it to pay more.

I've read the valuations Mr K obtained from one of the industry trade guides. This shows the valuation decreased between September and November 2023. I have no reason to doubt that Mr K intended selling his car at the end of August. But he had no agreement to sell his car. So, it isn't known what his car would've sold for. I accept the trade guide he used shows the car's value decreased over this period. But there are several trade guides commonly used in the industry. It's typical for these guides to provide a range of valuations. Many factors determine the final selling price of a car. There was no agreement to sell the car prior to the delays that occurred with the repairs. So, I can't agree that Mr K's shown he suffered a loss or what that loss amounts to.

Based on this evidence I'm not satisfied that Mr K has shown that he suffered a financial loss due to the delays in repairing his car. I don't think Aviva treated him fairly due to the remedial repairs that were required, and for the poor communication. But I think the compensation payment it offered him was fair. So, I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 22 April 2024.

Mike Waldron
Ombudsman