

## The complaint

Miss S complains about the way Aviva Insurance Limited (“Aviva”) has handled claims made under her motor insurance policy.

## What happened

Miss S had an accident in 2019 and contacted her insurer, Aviva. Aviva took her car in for repairs but when the car was returned to Miss S, she wasn’t happy with the completed work. Miss S was involved in another accident in 2023 and Aviva refused to take the car in for repairs. Because she was unhappy with the service she’d received from Aviva, Miss S made a complaint.

Aviva considered the complaint and didn’t think it had treated Miss S unfairly. It said it had made a fair offer to buy Miss S’s vehicle from her and that its offer was in line with market valuations for her vehicle. It said it had also offered Miss S £1600 in compensation for the distress and inconvenience it had caused throughout the claim.

Miss S wasn’t happy with Aviva’s response and said that it had stopped speaking to her, saying she could only communicate with them by email. So she referred her complaint to this service.

Our investigator considered the complaint but didn’t think it should be upheld. Because Miss S didn’t agree with our investigator’s assessment, the complaint was then passed to me to decide.

I issued my provisional decision in this case on 13 June 2024. In summary, I provisionally determined that Aviva hadn’t treated Miss S fairly and needed to do more to put things right for her. I said that I thought Aviva’s offer to buy back Miss S’s car was fair, but that I intended to ask Aviva to pay additional compensation for the distress and inconvenience it had caused, as well as pay the interest on a loan Miss S had to take out for a vehicle.

Both parties responded to my provisional decision, and both Aviva and Miss S agreed to the proposed settlement.

## 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 upholding this complaint in line with my provisional decision. I’ve included some extracts from my provisional decision below, in which the consumer’s initial has been changed, to protect her identity.

*“Since the beginning of Miss S’s first claim, I can see that there have been a number of issues caused by Aviva which have compounded the impact of the accident and claim. These include, Aviva not being able to source a suitable courtesy car, unprofessionalism of staff and staff hanging up on Miss S, repairs not being up to the expected standard, and*

*avoidable delays – sometimes delays of several months.*

*Aviva accepts in its final response letter dated 18 October 2022 and again in its final response letter dated 29 March 2023 that there were several examples of poor repair quality throughout the claim, which has meant that a claim like this which should've been resolved much sooner, was still not concluded years later. I appreciate that Aviva has said that a large proportion of the delays were outside its control. However, there is still a significant amount of time where matters were in Aviva's control and repairs were either substandard or things didn't progress as swiftly as they could or should have. Miss S has had to spend considerable time during the past four years taking her car in and out of garages, including during the Covid pandemic which she says was particularly stressful. And she has said that all of this has been incredibly tiring and frustrating for her when she simply wanted her car back in a good, fully working condition.*

*I'm therefore persuaded that the way this claim has been handled has at times caused Miss S considerable distress and inconvenience for which I think she should be fairly compensated.*

*To compensate for these issues, Aviva has already offered Miss S £250 in October 2022, £350 in March 2023 and in its final response letter dated 16 June 2023 it offered her a further £1000 for the delays and lack of adequate repairs.*

*However, despite the total amount of compensation offered currently standing at £1,600, I think a fair compensation offer in this case would be £2,000. If it accepts my findings, Aviva will be able to deduct from this total any compensation already paid. And Aviva can look at our website for examples of how we award compensation. In this case, I believe an award of £2,000 in total reflects the sustained distress and inconvenience that Miss S has experienced, which has impacted her daily life for a period of more than a year.*

*I've considered Aviva's buyback offer of £13,295, and I consider it a fair offer. This is because the valuation guides for Miss S's vehicle show that it's currently valued at around £7,000. So I consider the buyback offer to be far in excess of what Aviva needs to pay Miss S under the terms of her policy.*

*However, Miss S has provided evidence to show that she has struggled to find a suitable vehicle and has had to take out a loan for this sole purpose. I have discussed with Aviva the possibility of paying the interest on Miss S's loan and Aviva has agreed to do this as a gesture of goodwill and to bring the complaint to an amicable resolution.*

*Miss S has also provided me with evidence of the car she intends to purchase with the loan and why she requires a vehicle which is like her previous car, which has no damage and no mechanical issues, which isn't too far from her home and which has certain features that she requires for her safety.*

*There are a number of reasons why I think Miss S should be reimbursed the interest on the loan she has taken out. Firstly, Miss S has found it incredibly difficult to find a vehicle close to her home. She has travelled around the country trying to find a suitable vehicle which did not have damage or any mechanical problems. I don't consider her unwillingness to find a vehicle which is in excellent condition to be unreasonable, due to the significant amount of time she has spent in garages over the last four years – which has made her conscious of not buying a vehicle which may need more repair work. The time she has spent looking for a suitable car and the cost of travelling up to five hours away from her home, when I consider this could have been avoided if her vehicle had been repaired properly, means I am currently minded to ask Aviva to pay Miss S £2,376.85, which is the total interest on Miss S's loan for a new suitable vehicle.*

*In relation to Miss S's complaint about communication between the parties, Aviva sent Miss S a letter on 31 March 2023 explaining that it would only correspond with her by email. I don't consider this to have been an unreasonable step to take at the time, but I'm also pleased to see that Aviva has unblocked Miss S's number and she is now able to communicate with them by phone. So I don't intend to ask Aviva to do any more about this."*

As neither party disagreed with my provisional decision, I see no reason to depart from my provisional findings. So I'm upholding this complaint in line with my provisional decision. If Miss S accepts this decision, Aviva will need to settle the complaint as I've outlined below.

### **Putting things right**

Aviva Insurance Limited must now:

- Pay Miss S the £13,295 it offered to buy back her car.
- Pay Miss S the total interest on her loan, amounting to £2,376.85.
- Pay Miss S an additional £400 compensation for distress and inconvenience, bringing the total amount of compensation in this case to £2,000.

If Miss S accepts this final decision, Aviva may deduct from the above figures any amounts already paid to Miss S.

### **My final decision**

My final decision is that I uphold this complaint and I direct Aviva Insurance Limited to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 17 July 2024.

Ifrah Malik  
**Ombudsman**