

The complaint

Mr and Mrs T have complained about the poor handling of a claim they made under Mrs T's car insurance policy with Aviva Insurance Limited.

What happened

In September 2022 Mrs T put her car up for sale as she'd bought a replacement car. Unfortunately on the same day Mrs T's car was involved in an incident with another vehicle. So she made a claim for repairs to her insurer, Aviva.

Mrs T's car went in for repairs with an approved repairer (AR) twice. Both times, she and Mr T were unhappy with the standard of the repairs and with further damage caused to the car.

An assessor who inspected the car agreed rectification works were required following both sets of repairs with an AR.

In July 2023 Mr and Mrs T complained to Aviva. Aviva responded on 18 October 2023. It agreed for Mr and Mrs T to provide an estimate for repairs from a dealership garage and that it would authorise this. It also said it would consider their claim for other losses as a result of the delay and poor service.

Mr and Mrs T provided the requested estimate and list of losses. Despite chasing Aviva, it didn't hear from it. So in December 2023 they asked us to look at their complaint. In May 2024 one of our Investigators issued a view. She recommended Aviva meet the costs of expenses submitted by Mr and Mrs T totalling £1,144.16 - paying interest at 8% simple interest a year. And she recommended Aviva pay a further £500 compensation for the distress and inconvenience caused, so £750 in total.

Mr and Mrs T wanted Aviva to pay the market value of their car as of September 2022. Our Investigator recommended Mr and Mrs T obtain an up to date quote for the repairs – as the previous quote had expired. She recommended instead that Aviva meet the costs of the quoted repairs.

The Investigator explained that she couldn't say what the car would be sold for now, and so she recommended Mr and Mrs T discuss this with Aviva once the car has been repaired. If they are unhappy with the result, they can bring a new complaint about depreciation loss. In May 2024 Mr and Mrs T provided an updated estimate from the dealership garage. And Aviva accepted the Investigator's findings on 31 May 2024.

However, since then, Mr and Mrs T have contacted us to say they haven't heard from Aviva.

We contacted Aviva, but it hasn't responded.

So the case has been passed to me for a final decision.

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.

Throughout this claim, Mr and Mrs T have done all they can to mitigate their losses. It isn't in dispute that the level of service they have received from Aviva has been extremely poor. The lack of responses and the delay caused by Aviva is unreasonable. I'm sorry to read of the problems Mr and Mrs T have faced in getting their car repaired – and how long it is taking for this matter to be concluded for them so that they can sell the car.

Both parties accepted the Investigators findings. Having reviewed everything I agree with the recommendations made. The breakdown as set out by the Investigator of agreed expenses is:

"1 February 2023 – Alloy wheel replacement £128 – upheld as this damage can be attributed to the accident as documented in the inspection report where it indicates damage to the wheel.

1 February 2023 – Brake fluid and air conditioning service £145 – upheld as I would have expected for the vehicle to have been sold prior to this date had the repairs been carried out effectively. The vehicle needs to be serviced as part of its upkeep to be sold.

9 March 2023 – Car insurance renewal £236.25 – upheld as I would expect the vehicle to be insured so that it can be driven and in case of theft or damage.

10 March 2023 – MOT and front brake replacement £464.82 – partially upheld as the MOT is compulsory for the vehicle to be on the road at a cost of £54.85. I can't attribute the brake replacement to the repairs and as such I don't think it's fair for Aviva to pay for this. I understand the point that if the vehicle sits for too long the brakes will seize however the vehicle is still drive able and therefore if the breaks had seized due to inactivity, it's reasonable to say this could have been avoided.

27 June 2023 – Road tax £180 – upheld as the vehicle needs to be taxed to be on the road.

8 November 2023 – Annual service £245.21 – upheld as I would have expected for the vehicle to have been sold prior to this date had the repairs been carried out effectively. The vehicle needs to be serviced as part of its upkeep to be sold.

9 February 2024 – Car insurance renewal £305.26 – partially upheld. Aviva to cover the costs of any premium used until the vehicle is repaired.

27 March 2024 – MOT £358.16 – partially upheld for the same reasons as 2023 MOT. At a cost of £54.85

March 2024 – Tyre from Costco £137.98 – Not upheld. I appreciate the vehicle would have likely been sold by now and that Mr and Mrs T want to keep it in good condition, however this tyre replacement is not essential and therefore I don't think it's reasonable to charge Aviva for this.

Fuel expenses – Mr and Mrs T have provided several different fuel expenses calculated at 45p per mile. Having looked at these I think an average of £100 is fair for this expense. Whilst I appreciate that Mr and Mrs T wouldn't have made these

journeys if the vehicle had been sold, I don't think it's fair to ask Aviva to cover the cost of them at an employer's rate.

From the point where the vehicle is repaired to standard. Mr and Mrs T would be liable for any costs including the rest of the premium until the vehicle is sold."

These costs totalled £1,144.16 (in addition to the balance of the yearly premium paid for insurance) Since May 2024, Mr and Mrs T have incurred further expenses. These are:

Road tax from June 2024 £190

Tyres in August 2024 £292

Mr and Mrs T's car still hasn't been repaired. The car is due for its annual service in October 2024.

Our Investigator recommended Aviva meet the above additional costs and if repairs haven't been completed by October 2024, also meet the costs of a service. I agree this is fair.

It's not clear why Aviva hasn't progressed Mr and Mrs T's claim and complaint, given its assurance that it would. Mr and Mrs T promptly provided an up to date repair estimate in May 2024, which may well now have expired again. I hope it isn't too much trouble for Mr and Mrs T to obtain an updated estimate if necessary when Aviva arranges repairs at the dealership garage.

I uphold this complaint and require Aviva to follow the Investigator's recommendations as set out below.

I agree that when repairs have been completed, Mr and Mrs T will need to discuss the loss of depreciation with Aviva. If they are unhappy with the outcome, they can raise a new complaint about this issue for this service to consider.

My final decision

My final decision is that I uphold this complaint. I require Aviva Insurance Limited to do the following:

- Reimburse Mr and Mrs T for the expenses listed above.
- Pay interest on the total amount from the date of payment to the date of reimbursement at a rate of 8% simple interest a year.
- Pay Mr and Mrs T £500 in addition to the £250 compensation Aviva paid as compensation for the distress and inconvenience caused. If it hasn't already paid the £250, for the avoidance of doubt, the total award is £750.
- Make prompt arrangements for the repairs to Mr and Mrs T's car in line with the estimate provided in May 2024. If this has expired due to Aviva's lack of response, Aviva should meet the updated estimate provided and pay for any associated costs with that.

Aviva Insurance Limited must pay the compensation within 28 days of the date on which we tell it Mr and Mrs T accept my final decision. If it pays later than this it must also pay interest

on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T and Mrs T to accept or reject my decision before 26 September 2024.

Geraldine Newbold
Ombudsman