

The complaint

Miss L complains about how Aviva Insurance Limited handled a claim made on her motor insurance policy. She wants compensation for her loss of earnings.

What happened

Miss L's car was damaged whilst parked and unattended and she made a claim on her policy. Miss L was unhappy that it took a week for her to be able to arrange for her car to be repaired. She said she was without transport for 12 days until her car was taken for repairs and she was provided with a courtesy car. She was unhappy with the service provided by a car hire firm Aviva referred her to, that she had to pay her policy excess, and that her No Claims Discount (NCD) was affected.

Aviva agreed that it hadn't communicated with Miss L appropriately at the start of the claim and it paid her £150 compensation for this. But Miss L wanted £100 a day for her 12 days' loss of earnings, her policy excess refunded and her NCD restored.

Our Investigator didn't recommend that the complaint should be upheld. She thought Aviva should have communicated better with Miss L at the start of her claim and this had caused her avoidable frustration. But she thought its compensation for this was fair and reasonable. She thought Aviva wasn't responsible for the actions of the hire company, that Miss L's excess would always be payable and her NCD would be affected until Aviva recovered its outlay. So she didn't think Aviva needed to do anything further.

Miss L replied that her efforts to try and contact Aviva at the start of the claim had caused her considerable stress and upset. She thought Aviva should have given her advice and support about contacting the police about the incident. She thought Aviva should have arranged a courtesy car for her. She was disappointed that her concerns about her excess and NCD hadn't been resolved by Aviva despite her co-operation. She thought Aviva should update her on its attempts to identify the other driver. Miss L asked for an Ombudsman's review, so her complaint has come 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.

I can understand that Miss L feels frustrated and disappointed with the handling of her claim. She was the victim of a hit and run driver, and so I can understand that she feels unfairly treated.

But Aviva isn't responsible for the incident and its unfortunate consequences for Miss L. Its responsibility is to deal with Miss L's claim fairly and reasonably and in keeping with the policy's terms and conditions. I was pleased to hear that Miss L's car was repaired promptly by the repairer. I was sorry to learn that she was later involved in a further incident.

I can see from Miss L's testimony and Aviva's records that its communication with her at the start of the claim was poor and caused her stress, inconvenience and upset. Aviva responded to Miss L's claim notification by email when it couldn't contact Miss L by phone.

But then it didn't respond to Miss L's subsequent emails. And so Miss L had to use webchat and persist until she could speak to an agent.

Miss L said this meant there was a delay in her car being taken for repairs. I can see that her car was taken for repairs 15 days after she made her claim. And I don't consider this to be unreasonable as the insurer would have to identify a garage and instruct the repairs. But I can understand that the poor communication caused Miss L avoidable upset, and Aviva accepts this. It offered Miss L £150 compensation for the impact of this poor communication. And I think that's fair and reasonable as it's in keeping with our published guidance for the impact caused.

Miss L explained that she didn't want to drive her car due to safety concerns. And being without a courtesy car affected her earnings. But I can see that Miss L's policy schedule clearly states that she is entitled to a courtesy car for the duration of repairs only. And the repairer provided Miss L with a courtesy car when her car was taken for repairs. So I think Miss L received the entitlement she was due under the policy's terms and conditions.

I can also see that the policy's terms and conditions don't cover loss of earnings. It may be that Miss L can recover these from the other driver's insurer as an uninsured loss if the claim is resolved.

Miss L was unhappy with the questions asked by the hire company Aviva referred her to. And I think Aviva reasonably considered her concerns and said it would pass them to the company. But I can't consider this concern here as it's a separate business to Aviva.

Miss L thought Aviva should have advised and supported her to contact the police about the incident. But I'm satisfied that this is not something that is required or covered by Miss L's policy. I think Aviva correctly advised Miss L that it was for her to decide whether to report the incident to the police.

Miss L was unhappy that she had to pay her policy excess as she wasn't at fault. But the policy excess is always the first part of a claim to be paid, as set out in the policy's terms and conditions. And I wouldn't expect Aviva to waive that unless it was able to recover it from the other insurer, as it has explained to Miss L.

The open claim has affected Miss L's NCD and hence her premiums. But it's standard industry practice that an open claim is classed as a fault until the insurer recovers its outlay. The "fault" status doesn't mean that Miss L was to blame for the incident, but that Aviva hasn't recovered its outlay. It's already explained that if it does then it would restore her NCD. This may then allow her premium to be recalculated.

Miss L wanted Aviva to update her about the identification of the other driver. But I can only consider Miss L's complaints that Aviva has already responded to. And claim handling is outside our role. So I think Miss L needs to contact Aviva again for any updates on her claim.

My final decision

For the reasons given 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 Miss L to accept or reject my decision before 30 January 2025.

Phillip Berechree
Ombudsman