

The complaint

Mr S has complained that Aviva Insurance Limited made the wrong decision to deal with a claim he made under his car insurance policy as a total loss settlement. He is unhappy this decision led to a delay in Aviva agreeing to repair his car instead.

What happened

In August 2024 Mr S reported an incident to his insurer, Aviva. Aviva assessed images provided by Mr S of his car and decided not to repair his car. It said it would settle his claim by paying a total loss settlement for the market value of his car.

Mr S disputed the valuation Aviva reached for his car – and in October 2024 he brought that complaint to this service, which we investigated.

In the meantime Aviva agreed for an engineer to carry out a physical inspection of Mr S's car as he said he had taken his car to garages where he'd been told there was no structural damage and the car was repairable.

In January 2025 Mr S withdrew his complaint about the valuation and Aviva arranged for Mr S's car to be repaired. However, Mr S raised a new complaint about misinformation Aviva had provided when an engineer carried out a physical inspection of his car in January 2025. Mr S said he was given the impression the engineer had agreed for his car to be repaired by Aviva. But following the inspection, Aviva said it would need an approved repairer to inspect underneath the car for structural damage, and for a geometry test and wheel alignment check to be completed before making a final decision to repair or not. So Mr S hadn't agreed for the AR to collect his car.

In February 2025 Aviva upheld Mr S's complaint that he had been inconvenienced as the engineer hadn't inspected the underneath of the car, which required a further inspection by an AR. For this, it paid Mr S £200 compensation.

Mr S subsequently agreed for his car to be inspected and it was repaired by an AR and returned to him in March 2025.

Mr S asked us to look at his complaint. One of our Investigators explained that we could only look at the complaints Mr S raised, which Aviva responded to on 6 February 2025.

Having reviewed this complaint, the Investigator thought Aviva had done enough to resolve it.

Mr S disagreed. In summary he says he has incurred financial losses over the £200 compensation award by Aviva. So he wants an ombudsman 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.

At the time of reviewing Mr S's complaint, he hadn't submitted proof of payment for the wheel alignment and geometry checks, which Aviva said it would reimburse him for.

Up until Mr S complained in January 2025 about his car not being repaired, his complaint was about the total loss settlement made. I understand Mr S says he has incurred financial losses due to the time between making his claim and Aviva arranging repairs. Mr S says he bought a replacement vehicle in September 2024 and sold it at a loss in March 2025. He says he paid two lots of administration and change fees to add and remove the replacement vehicle to his car insurance policy. He says these costs – along with unspecified taxi costs and tow truck costs for inspections – are costs he wouldn't have otherwise had to pay if Aviva had decided to repair his car when he first made his claim.

I've looked at the final repair costs for Mr S's car and they come to more than the estimated repair costs the first engineer gave Aviva when reviewing the images of Mr S's car. The original estimated costs were above the threshold for Aviva to decide it wasn't economical to repair Mr S's car.

So while I can see Aviva agreed to reconsider its decision not to settle the claim as a total loss in January 2025, this doesn't mean its original decision was unreasonable.

Aviva accepts that it caused further inconvenience to Mr S as the engineer who inspected his car in January 2025 wasn't able to inspect underneath. This caused a delay in reaching a decision by Aviva to repair Mr S's car.

When a claim is made, we take into account what a customer did to mitigate any losses, as well as reviewing whether an insurer dealt with the claim promptly and reasonably. In this case, the circumstances are that Mr S didn't agree with the total loss valuation, and there was a period of time that passed while he brought that complaint to this service. In January 2025 things changed, and Aviva agreed to arrange for Mr S's car to be inspected. As Mr S had a replacement car during this time, I can see he mitigated his losses. But had Aviva decided not to repair Mr S's car, I wouldn't have found that unreasonable, based on the actual repair costs. These were much more than Mr S had said he'd received verbal estimates for from other garages.

So, taking everything into account, I think Aviva's compensation award of £200 for the distress and inconvenience it caused is a fair resolution to Mr S's complaint. This means I'm not asking it to do any more.

My final decision

For the reasons I've 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 Mr S to accept or reject my decision before 1 September 2025.

Geraldine Newbold
Ombudsman