

The complaint

Mr M complains about the amount Aviva Insurance Limited (“Aviva”) valued his car for when he made a claim under his motor insurance policy.

What happened

Mr M had a motor insurance policy with Aviva covering his car.

In December 2024 Mr M was involved in a collision causing damage to his car, which was about 18 years old. It was a fairly rare version of a niche sports model.

He contacted Aviva and made a claim.

Aviva assessed his car as being beyond economical repair and declared it a write-off. It said it would pay £2,895 to settle the claim. Mr M complained as he thought his car was worth more.

Aviva increased its valuation to £3,786. It arranged for an independent valuation, which further increased the valuation to £4,750. Aviva paid the settlement amount to Mr M on a ‘without prejudice’ basis. It also thought delays in its process had caused Mr M some distress and inconvenience, and it offered him £325 which included an element of interest because of the delay valuing and paying his claim.

Mr M remained unhappy with the valuation and brought his complaint to this service. He thinks the value of his car should have been nearer to £6,000.

Aviva then offered an increased compensation of £450.

Our investigator looked into his complaint and thought it would be upheld. But he thought Aviva’s offer of £4,750 valuation and £450 compensation were fair.

Mr M didn’t agree with the view and asked that his complaint was passed to an ombudsman, so it’s 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.

Having read the file of evidence, I’m upholding this complaint. It’s important I say to Mr M that I’m not going to require Aviva to pay him more than it’s already offered to him.

I do appreciate this will be a disappointment for him, and I’ll explain why I’ve reached this decision.

This service doesn’t provide valuations for vehicles, but looks to whether the insurer’s offer is reasonable.

Our approach is to use valuation guides to establish whether an offer is fair.

Aviva's policy wording says it will pay:

"The cost of replacing your car with one of the same make, model, specification and condition. The market value, determined at the time of loss or damage..."

I've done some research into the car and I've found these values for the time his car was damaged, which are based on a vehicle with the same specification and mileage:

Valuation Guide A £2,290

Valuation Guide B £2,985

Valuation Guide C £2,950

Aviva's market value was £4,750, so considerably higher than the valuation guide results.

Mr M said his car was maintained, with a recent timing chain replacement. He's commented that the car's colour, number of doors, sunroof and factory fitted satnav were all factors that, he thought, meant its value should be nearer to £6,000.

He provided adverts showing other cars, often with fewer doors, to show how values varied. Importantly though, some of the examples showing higher values were for cars with lower mileage, and none of them were for the distinctive colour or with the options Mr M's car had.

Aviva also provided adverts showing examples at lower prices than it offered. These were apparently of a lower specification than Mr M's, but at a much lower value.

And I'm afraid that the maintenance Mr M carried out on his car wouldn't necessarily increase its value above the 'Market Value' described by Aviva's policy wording, as it's work that needs to be done to maintain value rather than increase it. In other words, absence of the maintenance history might affect the value negatively.

Taking everything into account, I think Aviva's process has been fair and reasonable and I think its reached an offer that's reasonable. I haven't seen anything in the file that would persuade me to think Aviva acted unfairly.

But I do think Aviva's service could have been better here, and its claims process caused Mr M distress and inconvenience. I've considered this and looked at this service's guidelines, and I think Aviva's offer of £450 is fair.

My final decision

My final decision is that I uphold this complaint. I direct Aviva Insurance Limited to pay Mr M £450 compensation for his distress and inconvenience caused by its claims process.

Aviva Insurance Limited must pay the amount within 28 days of the date on which we tell it Mr M accepts my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 25 February 2026.

Richard Sowden

Ombudsman