

## **The complaint**

Ms W complains about the way Aviva Insurance Limited (Aviva) has handled a claim she made on her car insurance policy. Any reference to Aviva in this decision includes their agents.

## **What happened**

In April 2025 Ms W's car was hit by another while parked. So, she contacted Aviva to make a claim. Aviva accepted the claim and arranged for Ms W's car to be repaired by one of its approved repairers. Ms W didn't agree with Aviva's decision to repair the car. She said the repair estimate had reached around 70% of her car's market value, so she thought Aviva should declare it a total loss. Aviva maintained its decision to repair the car, so Ms W complained.

In its response to the complaint, Aviva said Ms W's car can be repaired by its repairer to a safe and satisfactory standard with a lifetime guarantee. It said Ms W could either continue with the repair of her car or arrange for it to be returned to her unrepaired but that she'd be liable for any costs incurred up to that point. Unhappy, Ms W brought her complaint to our Service for a review. One of our Investigators looked into it. He didn't think Aviva needed to take any further action but Ms W didn't agree.

Ms W said Aviva didn't follow industry practice and our Service's precedent by refusing to write off her car. She said Aviva had given misleading repair cost figures by quoting around £10,000 in May 2025 and around £6,000 in June 2025. Ms W also said Aviva authorised repairs without her consent and it was withholding her car from release. Lastly, Ms W said she should be compensated for the significant amount of time she's spent in dealing with this matter and the distress she's experienced due to Aviva's handling of the claim.

As the complaint couldn't be resolved, it has been passed to me for 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 done so, I've decided to not uphold this complaint and I'll explain why.

Ms W has raised a number of concerns and made numerous points with reference to what she considers to be the legal position with regards to the issues involved in her complaint. I'd like to reassure Ms W that I've considered all of her points, but I've only addressed those I consider key to the outcome of the complaint. This isn't meant as a discourtesy, it's just a reflection of the informal nature of this Service.

Ms W has also cited previous decisions issued by Ombudsman at the Financial Ombudsman Service, which she thinks set precedents in these types of complaints. But I want to make clear that we look at each complaint on its own individual facts and each case is decided on its own merits.

## The scope of my decision

I note Ms W's claim has continued beyond the final response Aviva issued in July 2025, and she's remained unhappy with how it's handled matters. To be clear, in this decision, I will only be looking at issues up until this final response and won't comment on what's happened after this date. I'm aware that Ms W has already registered a separate complaint with our Service about Aviva's more recent handling of her claim. It's up to Ms W to decide whether she wishes to progress that complaint further.

## Was Aviva's decision to repair the car unfair?

The relevant rules and industry guidelines say Aviva has a responsibility to handle claims promptly, fairly and provide appropriate information on its progress. So, I've considered the relevant rules, the policy terms and the available evidence, to decide whether I think Aviva treated Ms W fairly.

The starting point is the policy terms and conditions which form the contract of insurance between Aviva and Ms W. The terms of the policy say Aviva can choose to either pay for the repairs or a cash amount equal to the loss or damage. And that the most Aviva will pay is the market value of the car. So, I'm satisfied that the contract of insurance allows Aviva to exercise its discretion in deciding how to settle a claim. I've therefore considered whether Aviva has exercised that discretion fairly and reasonably in this case.

It's important to explain that we don't assess or decide repair costs for damage to a car, that's for the experts to do. Our role is to consider if the insurer has fairly considered the available evidence and justified its decision about repairs. To do that, we look at all the available evidence, including anything provided by the policyholder, the insurer, and the repairer. We normally give more weight to independent expert motor engineer reports.

Ms W feels strongly that Aviva should've written off her car. I note that the initial estimated repair costs were around £10,500, against a market value of around £15,000. That's a ratio of around 70%. Ms W is correct that generally insurers will consider writing off a car when repair costs reach around 60–70% of its pre-accident market value. But an insurer can decide to repair a car even if the repair costs are within 60-70% of its pre-accident market value. And, as I said, it was ultimately up to Aviva to decide whether it wanted to repair the car or write it off.

The insurer's decision is usually based on an assessment of whether it's more cost-effective to restore the car to its pre-accident condition or to replace it with another car of the same make and model and of a similar age and condition (the market value). In this case, the engineer wasn't of the opinion that Ms W's car should've been declared a total loss. Rather, he's said that all necessary repairs can be completed to a safe and satisfactory standard backed by a lifetime guarantee. So, I don't think it's unreasonable for Aviva to rely on its engineer's report.

The engineer's opinion was that the damage and likely cost of repairs resulting from the accident, didn't make the car either an unsafe or uneconomical proposition for repair. I know Ms W disputes this. She's provided some emails from her manufacturer approved repairer which she thinks proves it'd identified structural and safety concerns which meant they couldn't repair the car. I've looked at these emails and I don't agree with Ms W's assertion that the repairer didn't deem the car safe to repair. I say this because the repairer has simply said the repair was beyond their capabilities but that 'An ordinary body shop will be able to complete all the repairs as they specialise in repairing cars from accident damage'.

Lastly, Ms W has said Aviva gave misleading repair cost figures. Aviva has explained that the engineer's first estimate report was around £10,000 but once the car was dismantled, the cost of the repairs reduced to around £6,000 in June 2025. I can understand Ms W's confusion here but it's not unusual for a repair estimate to change after the car is dismantled. As both reports showed that the estimated cost of repairs fell below the market value of Ms W's car, I don't think it was unreasonable or unfair for Aviva to decide to repair it rather than declare it a total loss. So, I won't ask Aviva to do anything differently here.

### Repairs authorisation

Ms W raised concerns about Aviva authorising repairs without her consent and withholding her car from release. Having reviewed the claim records, I'm satisfied that Ms W did initially agree for her car to be repaired by Aviva's approved repairer as I've seen she arranged for its repairer to pick up her car on 22 May 2025.

Ms W only raised concerns about the repairs on 27 May 2025 when she asked Aviva to write off her car. I can see that when Ms W made clear she was objecting to the repairs, Aviva put a hold on them. And in its final response, Aviva gave Ms W the option to have her car back in its unrepaired condition but she'd be liable for any costs Aviva had incurred up to that point. So, I don't think Aviva has acted unfairly in this respect.

### Summary

For the reasons I've set out above, I'm satisfied Aviva treated Ms W fairly and reasonably in its handling of the claim. I appreciate Ms W has found the claim process distressing. The claim records show that Ms W spent a significant amount of time contacting Aviva about this matter, so I don't doubt the impact this has had on her. But I don't think this was because of anything Aviva did wrong and more likely stemmed from Ms W's reluctance to accept Aviva's approach to settling her claim. So, I won't require Aviva to do anything further. It's now open to Ms W to decide how she wants to progress her claim with Aviva.

### **My final decision**

For the reasons outlined above, I don't uphold Ms W's complaint about Aviva Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 13 January 2026.

Linda Tare  
**Ombudsman**