

### **The complaint**

Mr P complains about how Haven Insurance Company Limited handled a claim he made on his commercial motor insurance policy.

Reference to Haven includes its agents.

### **What happened**

Mr P was involved in an accident and made a claim to Haven for the damage caused. Haven accepted the claim and thought Mr P's car should be written off.

Mr P complains about how that claim was handled. He said he wanted the car repaired, or if Haven wasn't willing to repair it, he wanted to keep it so he could repair it himself. He said Haven didn't allow this and forced him into accepting its total loss payment – which he said was too low to allow him to buy a replacement. He said after Haven took his car he was contacted by a third party trying to sort the claim which was distressing and inconvenient. Mr P wants Haven to compensate him for lost earnings he says were caused by it not letting him keep his car and repair it himself.

Haven said the payment it initially raised in November 2024 (£3,7272.50) was reasonable, but that on review it agreed to increase it by a further £442.50 to reflect a market value of £4,170 for Mr P's car. In its final repose it also said it would send Mr P the engineer's report explaining why the car was deemed a total loss. Haven acknowledged Mr P wanted to keep his car but said its agent sold it before it was able to arrange it to be returned to him.

Haven apologised for lowering the value of Mr P's claim initially and also for the calls for the third party after the claim was settled. It offered Mr P £150 compensation.

Mr P wasn't satisfied with Haven's response so he brought his complaint to the Financial Ombudsman Service.

Our Investigator didn't recommend it be upheld. She thought Mr P had given Haven permission to collect his vehicle which indicated he didn't want to keep it. She thought it was only after the settlement was made that he said he wanted to keep it, and by that point, it had been sold.

Our Investigator ultimately thought the value Haven placed on Mr P's car (£4,170) was inline with the evidence available and our approach. And she thought the compensation offered was fair and reasonable in the circumstances. She didn't think Haven was responsible for Mr P's claimed lost earnings.

Mr P remained unhappy and asked for an Ombudsman's decision.

I issued a provisional decision saying why I was thinking of increasing the compensation. It said:

*"Ultimately, I'm satisfied the valuation of his car was fair, and that it was a reasonable decision to write it off. But I think more Haven should have done more to allow him to keep*

his car. So, I think compensation is due for that. But I don't think Haven is responsible for any lost earnings.

#### *Writing the car off and the market value*

*Having seen the engineer's report, I'm satisfied Haven's decision to write off Mr P's car was reasonable. I understand he wanted it repaired. But, as per the terms and conditions, it was Haven's decision what to do to settle the claim. And writing it off and paying him an amount equal to the car's market value was one of those options.*

*Haven's final valuation valued Mr P's car at £4,170. I'm satisfied that's reasonable. It's higher than all but one of the available valuation guides' valuations of the vehicle. And it's very close to the highest value returned. I've seen no persuasive evidence to support that a replacement couldn't be purchased with that amount.*

#### *Keeping the salvage*

*Haven has said Mr P wasn't able to keep the salvage because its agent sold it at auction before it could arrange its return to Mr P. But Haven is responsible for the actions of its agents. Here, I'm satisfied Mr P let Haven know of his wish to keep the salvage of his car before any claim settlement was made.*

*The policy, like most do, says that when a total loss settlement is made, the car becomes Haven's property. But crucially, until that settlement is made, the car remains Mr P's property.*

*So, here, there was clear evidence of Mr P's intent to keep his vehicle before settlement was made. Therefore Haven should have done more to make sure its agent didn't sell the vehicle on.*

#### *Delays and overall service*

*Ultimately Haven's valuation and settlement value for Mr P's claim is fair and reasonable. But it's not clear why it reduced that value initially. And I'm not persuaded that the reduced value, the one it initially paid, was fair or reasonable. So in effect, that means Mr P was without £442.50 that he shouldn't have otherwise been without, for a period of about two months. Mr P was also without the engineer's report for a similar time, which would have added to the distress and inconvenience his was experiencing.*

*Haven has acknowledged Mr P shouldn't have received calls for a third party after the claim was settled, and I agree that would also have been distressing and inconvenient.*

#### *Compensation*

*Haven has offered £150 for the issues it feels it's responsible for. But I'm not persuaded that's enough. Mr P should have been given his car back, which in turn would have allowed him to repair it. He was also without a reasonably significant amount of money, and a report explaining Haven's decision for longer than he should have been.*

*But I'm not persuaded Mr P has evidenced where his requested £260,000 compensation comes from. Nor am I persuaded Haven's actions caused him significant financial loss in terms of stopping him working. It paid him an interim offer that, while short of the value of his car, was still likely enough to allow him to buy a replacement of sorts. It was the majority of the sum he was reasonably owed. Even if it had given Mr P his car back, he'd have likely had costs to pay to repair it too, with those repairs also likely taking some time to complete.*

*That said, he'd clearly been caused additional distress by having his car disposed of, and inconvenience of not having a fair settlement until much later than he should have received it.*

*So, in total Haven should pay Mr P £650 compensation. This amount includes the £150 it's already offered. So if it's paid this to Mr P already, it only need pay the additional £500."*

Haven accepted that decision. Mr P didn't. He maintained his request for £260,000 and said this was based on projected earnings over five years. He wasn't happy with the compensation I recommended and pointed out the issue was not that he could have bought a replacement, but that he wanted to keep his vehicle.

### **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'm not changing my decision.

I understand Mr P's points, and understand fully that he wanted to keep his car. That's what I've awarded compensation for. That and the distress caused by the service provided throughout the claim.

What I'm not persuaded by is Mr P's claim for lost earnings. Ultimately, he was given a fair market value for his car. This means he was given enough money to go out and buy a replacement, of similar age, make, model, mileage and condition. Therefore, I can't see how not letting him keep his car translates into him not being able to work for the next five years.

So, my provisional decision set out above, along with the further explanation just noted, becomes my final decision.

### **My final decision**

For the reasons set out above, my final decision is that I uphold this complaint. To put things right Haven Insurance Company Limited needs to pay Mr P a total of £650 compensation. This amount includes the £150 it's offered. If it's already paid Mr P the £150 it offered, it need not pay that again, only the additional £500.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 30 December 2025.

Joe Thornley  
**Ombudsman**