

The complaint

Mr D complains that Aviva Insurance Limited (“Aviva”) wouldn’t pay him enough to repair his car following a claim under his car insurance policy.

What happened

Mr D had a car insurance policy with Aviva, arranged through a broker.

In 2023 his car suffered a fire, causing damage.

He contacted Avvia and made a claim.

Aviva carried out an inspection of the damage. Its engineer determined that the cause of the fire was a failure of the engine wiring harness, which is excluded under the policy wording.

It said it would pay for the damage caused by the fire, but not the repairs to the wiring harness itself. It said it thought £2,079.49 (less the excess) would be a suitable cash-in-lieu settlement.

Aviva also needed to validate Mr D’s details and aspects of the car’s ownership. It asked him to provide further evidence about the ownership of the car, and proof of funds. This took some time for Mr D to arrange and caused him distress and inconvenience.

Mr D wasn’t provided with a courtesy car during this time, and an engineer didn’t call him when it was promised. He incurred travel costs of over £8,000.

Aviva said it would pay him £300 compensation because the engineer didn’t call him and because Mr D was told the payment was an interim payment, which was later changed to being the final payment.

As Mr D remained unhappy, he brought his complaint to this service. He asks for enough money to repair his car. Our investigator looked into it and thought it wouldn’t be upheld. He thought Aviva had acted fairly.

Mr D didn’t agree with the view and asked that his complaint was passed to an ombudsman. So it’s been given to me to make 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.

We don’t assess whether or how damage to a car would be caused as this is a matter for the experts in these situations, the insurance companies, and engineers. Our role in these complaints is to determine whether an insurer has considered all the available evidence and whether they can justify their decision to pay for part of a claim.

It’s important I say that insurance policies don’t cover against every possible scenario of

damage. Mr D's policy covers Fire, but it excludes some types of damage depending on the cause:

"Section 1 – Loss of or damage to your vehicle

Exclusions to Section 1

What we won't pay for

...failure of electronics..."

The expert report provided by Aviva shows that the fire was caused by a failure in the car's electronics.

But Aviva said it would pay for the damage caused by the fire to the car. Its engineer assessed that to be £2,079.49. It said it couldn't provide a repair because its policy didn't cover the part that had failed.

I've thought about this, and I think Aviva's decision to pay a cash-in-lieu amount was fair.

I can appreciate Mr D's frustration that Aviva won't pay for his car to be completely repaired, but as I mention above Aviva's policy doesn't cover the part that failed.

Mr D has also complained about Aviva's requests to validate ownership of his car. I'll briefly mention here that Mr D has said he transferred ownership of his car to a family member in order to protect it from legal action. But I think it's fair I say that he needs to understand insurers like Aviva have a responsibility to make sure that a claim is valid. I can see that when Mr D applied for cover, he said he was the car's owner and registered keeper. So when Aviva found that the V5 was issued to a different address, it needed to carry out checks including where the funds to buy the car originated from.

From the file, I can see that it chased Mr D on this point and it took some time for him to provide evidence on this. I don't doubt this caused him distress, but I think Aviva's actions were fair.

Mr D has later said he thinks this means Aviva wasn't treating him fairly. But I don't agree – Aviva will need to make checks like this when it needs to satisfy itself about such matters. It will adopt this approach with customers who it isn't able to satisfy itself about, so in that way I don't think it was treating Mr D unfairly.

I've also looked at two areas that have caused Mr D to complain. He's talked about the transport costs he's incurred while his car has been off the road. The total is over £8,000 as I mention above. In later correspondence with this service, I can see he's not carried out work on his car to rectify the damage.

The cover in the policy includes a courtesy car when the car is being repaired by one of Aviva's approved repairers.

Because Aviva wouldn't repair the damage, due to the exclusion I've talked about above, I don't think Mr D was reasonably entitled to alternative transport under the policy terms. I can see that Aviva did say, in its final response, that it thought Mr D would have been able to have a courtesy car following its validation of his claim.

But it's important I say that Mr D's claim was validated and paid quickly once Mr D had provided Aviva with the information and permissions it needed. The time period here seems

to be about 4-5 days in total. I can see it had taken Mr D some considerable time to respond to Aviva when it asked him for information. So, although I think Mr D has been caused some inconvenience by Aviva not supplying him with a courtesy car for a short period, I think Mr D has contributed to his own inconvenience in a much more substantial way. I've thought about this carefully, and I'm not going to ask Aviva to pay compensation for this.

What this means is that I'm not upholding this part of his complaint.

Mr D had also complained about other aspects of Aviva's communications with him. I've mentioned above that he was promised a call by an engineer, which didn't materialise.

In his response to the view, Mr D has talked about Aviva's payment to him being described by it as an interim payment rather than the final one. I can see from the file that this seems to have been said to him in error. Mr D said if he'd have known this he would not have accepted the so-called 'interim' payment.

I've said above that I think Aviva's claim settlement payment is fair. I don't agree that there's been an impact on Mr D here as, if he'd not accepted the interim payment, it's likely I'd be saying that Aviva needed to pay him that amount.

Aviva said it would pay him £300 for the missed communication and the 'interim' payment comment, and I think that is fair and in line with this service's guidelines on compensation.

Mr D has said he's not received this amount, so I'm going to ask Aviva to check this and send payment to him. But I'm not upholding this complaint and I'm not going to ask Aviva to do anything more.

My final decision

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 19 February 2026.

Richard Sowden
Ombudsman