

## **The complaint**

Miss N complains about how Aviva Insurance Limited (Aviva) settled her claim on her car insurance policy.

## **What happened**

Miss N reversed her car into a third party's parked motorcycle, which fell on its side.

Miss N notified the police of the incident but not Aviva. A few weeks later, Aviva told Miss N the third party's insurer had notified it the third party was making a claim. Aviva accepted liability for the claim and settled it.

Miss N says Aviva settled the claim without properly investigating it. Among other things, Miss N says Aviva didn't ask her what happened and didn't request CCTV footage of the incident. She also says the damage the third party claimed for was exaggerated and Aviva didn't query it.

The investigator who looked at Miss N's complaint didn't uphold it. In our investigator's view, Aviva had acted fairly and in line with its rights as an insurer when making its decision on liability.

Miss N disagrees. She maintains Aviva should've contacted her to discuss the incident in a timely manner, requested CCTV footage and thoroughly investigated the condition of the motorcycle. So Miss N's complaint has come to me 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.

Having done so, I've decided not to uphold Miss N's complaint. I'll explain why.

Miss N's car insurance policy has a term allowing Aviva to settle any claims it gets on the policy as it sees fit. This term is standard in car insurance policies. But our approach is that Aviva must act fairly and reasonably, based on the facts and evidence, in reaching its settlement decision. So that's what I've looked at here.

I can see the third party's insurer notified Aviva that Miss N reversed into its insured's parked and correctly positioned motorcycle causing damage. And I know Miss N accepts she reversed into the motorcycle (it's the extent of the damage this caused to the motorcycle that she disputes).

I can also see Aviva was given a report from a vehicle inspector who assessed the motorcycle. This recommended a total loss settlement of £1,800, which is the amount for which Aviva settled the claim.

Miss N is unhappy Aviva settled the claim without asking her what happened. Aviva says it has an agreement with certain insurers where it will pay a claim on a “*without prejudice*” basis to save costs. If it’s then found that liability for the claim should be split between two parties or that the claim is a non-fault one, Aviva says it then claims these costs back.

Miss N is also unhappy Aviva didn’t get CCTV footage of the incident, which she says was available. Aviva says any footage is likely only to have shown the incident itself; that is, Miss N reversing into the motorcycle (which, as I’ve said, Miss N doesn’t dispute). Aviva says it doesn’t think CCTV would be “*clear enough to show the damage*” (which, as it says, is the aspect of the claim Miss N does dispute).

Miss N also says the claim for the damage to the motorcycle has been exaggerated by the third party and that Aviva hasn’t investigated this. Aviva says the report from the vehicle inspector is clear that the damage to the motorcycle is consistent with the circumstances (that is, Miss N reversing into it). Aviva says it “*cannot prove that the damage was not caused by the incident*”.

On the facts and evidence I have, I think the approach Aviva has taken to settling the claim is fair. Since Miss N accepted she’d reversed into the motorcycle, liability wasn’t disputed and so Aviva didn’t need to review its initial decision to settle on a “*without prejudice*” basis.

I think it’s unlikely any CCTV footage Aviva got would’ve been of good enough quality to show in detail the damage to the motorcycle. And, in any case, although Miss N notified the police of the incident at the time, she didn’t notify Aviva. So Aviva wouldn’t have known there was CCTV footage that could’ve been requested.

Finally, although Miss N says the third party’s claim for the damage to the motorcycle is exaggerated, she hasn’t supported her opinion with any expert evidence. The report Aviva was given is clear on the cause of the damage – a light collision to the rear that caused light to moderate damage when the motorcycle fell on its side. And the report assesses the total loss settlement as being £1,800, which is the amount for which Aviva settled the claim. In the absence of persuasive evidence to the contrary, I think Aviva has acted fairly in relying on the findings in the report to settle the claim.

I’ve looked at all of Miss N’s other comments but they don’t change my conclusions on this complaint. On the facts and evidence I’ve seen, I think Aviva has acted fairly and reasonably and in line with Miss N’s policy terms in settling this claim on Miss N’s car insurance policy as it has.

### **My final decision**

For the reasons I’ve given, I don’t uphold Miss N’s complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Miss N to accept or reject my decision before 26 September 2023.

Jane Gallacher  
**Ombudsman**