

## **complaint**

Miss O is unhappy with Aviva Insurance Limited's handling of her car insurance claim.

## **background**

Miss O made a claim on her car insurance policy following an incident with a motorcycle.

Aviva assessed the damage to Miss O's car and decided to treat it as an unrepairable total loss. They initially valued Miss O's car at £2,112, but she wasn't happy with this and it was eventually increased to £2,300.

During the course of the claim Miss O made clear to Aviva that she wanted to recover some sentimental items from her car, a sticker and some slippers. They'd been given to her by now late friends and relatives so meant a great deal to her. Unfortunately, the items went missing and Aviva has been unable to recover them from the garage Miss O's car was taken to, or from the auctioneer that subsequently sold it.

Aviva offered Miss O £150 compensation for this and for their handling of her claim. They also offered her £40 for the fuel that was left in her car. And they said she could claim for the lost items under the personal belongings section of her policy.

Miss O wasn't happy with the offer made by Aviva, or their overall handling of the matter, so brought her complaint to our service. She felt it was unfair for her to be held liable for the incident, and remained unhappy with the valuation of her car, even though it had been increased.

Miss O was also unhappy that the policy continued to run despite her car being a write off, she felt she should've been told about the cancellation process so she could've had some of her premium refunded. Miss O was also unhappy with an excess per incident being applied to the hire car she was offered.

An investigator here looked into Miss O's concerns. They explained that it's for Aviva to determine the outcome of the claim, in terms of liability. And that as Miss O was turning a corner at the time it wasn't unreasonable for them to consider her to be liable. Miss O said the third party admitted liability at the time so feels that should count for something.

The investigator checked the value of Miss O's car against industry guides and felt that the increased value of £2,300 was in line with them, so he didn't think a further increase could be recommended. He was sympathetic regarding the sentimental items lost but felt Aviva's offer of compensation took this into account, and he noted that they'd said Miss O could claim for the items monetary value under her policy.

Regarding the hire car, the investigator explained that Aviva's notes showed they may have incorrectly said that two excesses – rather than one – would apply per incident. But his view was that the compensation was also enough to take care of this mistake.

Finally, the investigator felt Miss O was responsible for cancelling her policy once she knew she didn't need it anymore. Miss O didn't agree with the investigator's view. She felt Aviva had treated her very poorly indeed and asked for an ombudsman to decide the case.

## **my findings**

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 largely in agreement with the investigator who first looked into Miss O's case. Although I don't believe the compensation to be adequate so I'm upholding the matter in part.

Upon review of the car valuation, and having checked the market value in the industry guides, I believe Aviva's increased valuation of £2,300 to be fair. Valuing cars isn't an exact science, but this is in line with the guides which range from slightly below to slightly above £2,300 so I can't say it's an unfair valuation. And importantly, market value is what the policy says is the most it'll pay in the event of a claim – in common with most policies.

It's clear to me that the items lost from Miss O's car meant a great deal to her. And whatever their monetary value, she made clear to Aviva that she wanted to keep them. I don't know what happened to Miss O's items, and all attempts to recover them appear to have been unsuccessful.

I believe Aviva, and the garage and auctioneer, should have done more to ensure that Miss O was able to obtain them before the car was sold. Not being able to do so has upset her a lot and because of that I'm increasing the amount of compensation by a further £150.

I note that Aviva has said Miss O could claim for the monetary value of the items through her personal belongings cover. I don't believe Miss O should be required to claim for them under her insurance policy. They weren't lost as a result of Miss O's claim, they were lost during the course of the claim, for which Aviva was responsible.

So, I think Aviva should pay the monetary value to Miss O by way of compensation for financial loss.

I don't think it was unreasonable of Aviva to deem Miss O responsible for the incident. That's especially true where something happens at a road junction, as in this case, because it can't be said with certainty who had right of way, or who was carrying out the manoeuvre correctly. So, without any independent evidence I don't think it's fair to say Aviva should've done any more for Miss O, even though I understand how frustrating that can be.

And even if the motorcyclist did say it was his fault at the time it doesn't necessarily mean the outcome of the claim will be the same. The insurers involved will still assess the claim and consider the circumstances described by the two drivers. And Miss O's policy, again in line with most I have seen, says Aviva has full discretion in the settlement of any claim. For the reasons explained, I believe Aviva exercised its discretion fairly.

Miss O was offered a hire car by Aviva, despite not having this cover included in her policy. So even though they seem to have made a mistake when explaining how the excess would work, I don't think Miss O has lost out here because she wasn't entitled to a hire car and this was only being offered as a goodwill gesture.

I understand why Miss O is unhappy at her policy continuing after her car was deemed to be a total loss. It's possible she could've cancelled it earlier if Aviva had told her it was still in place. But I don't think this would've affected Miss O because her policy says she won't

receive a refund if a claim has been made. So early cancellation of the policy wouldn't have made any difference in that respect.

In closing, I agree that Aviva's overall handling of the claim was unsatisfactory – something it already accepts and has offered compensation totalling £190 for. I'm sorry Miss O hasn't been able to recover the items and I think when things of sentimental value are lost, they can't ever really be replaced; and Miss O has said she'd have to travel abroad to be able to find replacement slippers.

I don't think Aviva can be held responsible for the cost of Miss O travelling abroad to find a replacement, because I've not seen anything to make me think this could have been reasonably foreseen. And I can't ignore the fact that Miss O could've taken such sentimental items out of her car before it went to be assessed for the claim. I think it's likely they would've held some monetary value though, so Aviva ought to make a payment in that respect.

Having spoken to Miss O she's not been able to estimate the cost. So, I put her descriptions to Aviva, and they've agreed to offer an additional £50 for them. I appreciate Miss O doesn't believe this to be enough, but without any evidence to show their worth I can't say this is unreasonable. And as above, I'm not going to award the cost of flights for her to try and find a similar pair.

In view of the distress caused by the loss of such items I believe it's fair to require Aviva to pay a further £150 compensation for trouble and upset caused, in addition to the £190 it had already offered.

### **my final decision**

It's my final decision that I uphold Miss O's complaint in part. I require Aviva Insurance Limited to put the matter right by doing the following:

- pay Miss O £50 for the sticker and slippers
- pay Miss O £150, being compensation over and above the £190 already offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss O to accept or reject my decision before 25 April 2020.

Will Weston  
**ombudsman**