

## **The complaint**

Mr W is unhappy with the service he's received from Aviva Insurance Limited (Aviva) as his damaged vehicle was sold without his agreement following a claim under his commercial vehicle insurance policy.

Where I've referred to Aviva throughout, this also includes any actions by agents acting on their behalf.

## **What happened**

Mr W had a commercial vehicle insurance policy underwritten by Aviva. Unfortunately, Mr W was involved in an accident when his vehicle was hit by another. His vehicle was taken to Aviva's salvage agents and deemed a total loss.

Mr W was offered a total loss settlement for his vehicle, but he was unhappy with the amount that was offered. This was referred to Aviva to consider further.

However, whilst the total loss settlement was being negotiated, Mr W's damaged vehicle was sold at auction. This was despite Mr W potentially looking to keep the damaged vehicle (with a salvage deduction from the total loss settlement) and questioning the extent of damage to it.

Mr W discovered his vehicle had been sold earlier than agreeing to the total loss settlement as he received a toll road fine whilst his vehicle was still supposed to be with the salvage agent. Mr W complained to Aviva.

Aviva upheld Mr W's complaint. They agreed that his damaged vehicle shouldn't have been sold when it was. They offered Mr W £500 compensation.

As Mr W remained unhappy, he approached this service.

One of our investigators looked into things but she didn't uphold the complaint. She said it wasn't possible for Aviva to now make Mr W's vehicle available to him as it's been sold, but she thought the compensation Aviva had offered for this was fair. She also said the vehicle had been recorded externally as written-off, so she thought this demonstrated it was sold in a damaged condition.

Mr W didn't agree, and the case was passed 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.

Whilst I appreciate it'll come as a disappointment to Mr W, I've reached the same outcome as our investigator.

Mr W became aware his damaged vehicle had been sold before reaching settlement with Aviva when he received a toll road charge for the vehicle (Mr W hasn't needed to pay this). This charge was dated from when the vehicle was still supposed to be with the salvage agent and Mr W was negotiating with Aviva.

It isn't disputed by Aviva that Mr W's vehicle shouldn't have been sold whilst he was negotiating the total loss settlement with them. And this was after he had made Aviva and their agents aware that he might be looking to retain the vehicle, whilst also raising questions about whether the damage was actually structural damage.

Unfortunately, the damaged vehicle was ultimately sold though. So, Aviva isn't now able to return Mr W's vehicle to him if he did want to retain it. Aviva has accepted this shouldn't have happened and offered £500 compensation (separate to the total loss payment under the policy).

Whilst I do recognise Mr W doesn't think this is sufficient, I think this fair and reasonable in all the circumstances for what happened, so I won't be directing Aviva to increase this.

Mr W has also raised concerns that the vehicle didn't appear to have structural damage from the images and engineers report and thinks this was said to obtain a good condition vehicle to auction. However, Aviva has provided a copy of the HPI check. This shows the vehicle has been recorded externally as an insurance write-off and Category S, which is structurally damaged. So, I don't think this supports the vehicle was sold in an undamaged condition.

### **My final decision**

Aviva Insurance Limited has already made an offer to pay £500 to settle the complaint and I think this offer is fair in all the circumstances.

So, my decision is that Aviva should pay the £500 compensation already offered, if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 21 December 2023.

Callum Milne  
**Ombudsman**