

## **The complaint**

Mr P complains that Aviva Insurance Limited increased the excess for his motor insurance policy after he purchased it. He wants it to honour the excess he selected and pay him £700 compensation for his trouble and upset.

## **What happened**

Mr P said that when he took out a policy with Aviva he selected the option of a policy excess of £150. But when he received his policy documents, the excess was £400. Aviva said it had applied an additional excess because of the category of Mr P's car. And it said this additional excess was made clear during the online sales journey and in his documents. After the complaint came to us, Aviva said it would offer Mr P £50 compensation for his trouble and upset.

Our Investigator recommended that the complaint should be upheld. He thought Mr P had selected a policy excess of £150. He couldn't see how the excess of £400 had been arrived at or that Aviva had been explained when the additional excess would apply. He thought Mr P hadn't been given sufficient information to make an informed choice. And he'd been deprived of the option of taking out a more suitable policy elsewhere. He thought Aviva should reduce his policy excess to £150, with no increase in premium, and pay Mr P £300 compensation for his trouble and upset.

Aviva replied that it accepted this opinion. But Mr P replied that he thought the compensation wasn't sufficient for the time it had taken to sort things out. He asked for this to be increased to £500. As Mr P didn't agree, the complaint has come to me for 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.

Mr P said he'd never had a policy excess higher than £200. He said if he'd wanted a higher excess then he could have taken out a cheaper policy elsewhere. So I can understand that he felt frustrated when he received his policy documents stating that his new policy with Aviva had a policy excess of £400.

Mr P bought his policy online through Aviva's website. Aviva is required to provide full, clear and not misleading information during the sales process. Mr P helpfully provided a video where he replicated his online sales journey. And I've considered this alongside his and Aviva's representations and the policy documents he was later sent.

When Mr P took out his policy he was offered a list of choices for his policy excess. Mr P said he chose £150, and this is in keeping with his usual practice. He demonstrated that he could have chosen a higher excess for a lower premium, but his preference was for a low policy excess.

The online sales journey then stated:

*"The total excess you'll pay in the event of a claim may be higher than the amount you chose here. This could be because*

- *Your vehicle is within a higher performance or high value category.”*

The next section states other excesses which apply to this quote. These are provided under two headings. The first is for vehicle and driver excesses and it includes young drivers and non-approved repairers. The second heading is for windscreen excesses. And this includes windscreen repair and replacement and:

*“Additional vehicle excess £250.00”*

Aviva said this is repeated at the final stage of the quote. But the sales journey doesn't state whether these excesses are compulsory or voluntary. And I'm not satisfied that it's made clear that the additional vehicle excess isn't related to the windscreen rather than the car's performance or value. And so I haven't seen that Aviva made it clear to Mr P in the sales journey that the additional vehicle excess would apply to his car.

Aviva then provided Mr P with his policy documents. These state that the policy excess is £400. Aviva referred Mr P to his policy schedule for further information. But no explanation is given for how this figure was arrived at or how it's applicable in Mr P's circumstances.

Mr P's intention was to have a policy excess of £150. He could have found this elsewhere. I think Aviva's sales journey didn't give him sufficiently clear information about the policy excess that would apply to his car. I think Mr P acted on the information that was made available to make his decision. And so I think Aviva deprived Mr P of the choice he wanted.

When a business makes a mistake, as Aviva accepts it has done here, we expect it to restore the consumer's position, as far as it's able to do so. And we also consider the impact the error had on the consumer.

To restore Mr P's position, I'm satisfied that Aviva should honour the £150 policy excess he chose during the sales journey, with no additional premium. I can't see that Mr P has had to make a claim and so pay his excess. But if he has, then I expect Aviva to put this right in keeping with my direction.

Mr P was put to trouble and upset by Aviva's unclear sales process. He had to replicate his sales journey and he had to make a complaint when this shouldn't have been needed. Aviva offered Mr P £50 compensation, but I don't think that's fair or reasonable in the circumstances.

Mr P said he would settle for £500 compensation for this impact. But I'm satisfied that £300, as recommended by the Investigator, is in keeping with our published guidance where the impact of an error has caused trouble and upset over some time.

### **Putting things right**

I require Aviva Insurance Limited to do the following, as it's already agreed to do:

1. Honour the £150 policy excess selected by Mr P during the quote process, without applying an additional premium.
2. Pay Mr P £300 compensation for the distress and inconvenience caused by its level of service.

### **My final decision**

For the reasons given above, my final decision is that I uphold this complaint. I require Aviva Insurance Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 28 March 2025.

Phillip Berechree  
**Ombudsman**