

The complaint

Mrs M complains that Aviva Insurance Limited (Aviva) has charged multiple policy excess payments for one claim that she made under her motor insurance policy.

What happened

Mrs M noticed damage to her car caused by rodents. She made a claim to Aviva, which it accepted. But she says it wanted to apply seven policy excess payments for her claim. It told her this was due to there being several areas of damage. When she disputed this Aviva reduced the number of excess payments to four. It told her this was done as a gesture of goodwill.

Mrs M says her policy refers to a claim, but not to areas of damage. She wants Aviva to only charge one excess payment.

In its final complaint response Aviva says Mrs M's car was inspected for rodent damage. It says two technicians looked at the car and found at least seven separate areas of damage that needed repairing. Aviva says its policy terms allow more than one excess fee to be applied to a claim. However, as a gesture of goodwill it was prepared to only charge for four excess payments. It says this means Mrs M needs to pay £2,000 toward the cost of the claim.

Mrs M didn't think Aviva had treated her fairly and referred the matter to our service. Our investigator upheld her complaint. She says that Aviva's notes refer to nesting and that this highlighted concerns about a gradual cause for the damage. However, she noted it hadn't provided a technician's report to confirm this. Our investigator says if there was evidence of a gradually occurring cause, she would consider it fair for multiple excess charges to apply. But she didn't think the evidence supported this.

Aviva provided its technician's report. Our investigator then asked for clarification of why it thought that there were seven areas of damage, and then later reduced this to four. Aviva responded to say the claim was managed in a standard way for rodent damage. It refers to there being many different areas of the car that were affected. And says it relied on its engineer's experience when dealing with these types of claims. It says its engineer identified at least seven areas of damage meaning seven separate claims. But it says this would be dealt with under four different areas of the vehicle. Hence why it was charging Mrs M four excess payments. Our investigator didn't change her view.

Aviva didn't agree with our investigator's findings. As an agreement couldn't be reached the matter has been passed to me to decide.

I issued a provisional decision in September 2024 explaining that I was intending to uphold Mrs M's complaint. Here's what I said:

provisional 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 my intention is to uphold Mrs M's complaint. Let me explain.

Mrs M's policy terms and conditions say Aviva will arrange for repairs in the event that her car is damaged. The business doesn't dispute the repairs for rodent damage are covered under her policy. Aviva hasn't sought to rely on a policy exclusion to decline the claim. So, I needn't consider these points further. My focus here is whether it's fair for Aviva to charge Mrs M multiple policy excess fees in respect of her claim.

A policy excess is the amount a policyholder agrees to pay toward the cost of any claim. I've read Mrs M's policy schedule. This confirms her excess was set at £500. Her policy booklet says:

"Your schedule will show the excesses you will have to pay towards any claim. If more than one excess applies to your claim, the excesses will be added together."

I think this is clearly worded and explains that more than one excess fee can apply to a claim. However, the policy doesn't confirm when more excess charges will apply or how this will be established.

In his report Aviva's technician says the car has been attacked by rodents whilst unattended. He says rodents were active in the engine bay area, behind the interior instrument panel, floor carpet, rear seat area and rear boot. The technician says Mrs M first noticed the issue when debris had fallen down from behind the instrument panel/dash panel into the front footwells. He says the rodent(s) entered the interior of the car from behind the interior dash panel, having chewed through elements in the engine bay. The technician reports lots of debris behind the dash panel, which he surmises is the location of the rodent(s) nest. He also reports faeces, chewed foam, faeces around the vehicle's battery, chewed engine bay insulation, chewed child seats, damage to the second-row seat base, damaged carpet under the back seats, the rear nearside seat belt is chewed, and there is a damaged wire in the rear boot.

I've seen two photos Mrs M shared with Aviva's technician. This shows debris in the front footwells. The technician says this was taken when the issue was first noticed and prior to the area being cleaned. The photos the technician took show the damage he highlights in his report.

The damage to the seats and seat belt is fairly obvious. Mrs M's car is relatively new and appears to be in good condition. I'd expect the seat belt damage, which has been severely chewed, to be very noticeable to Mrs M and her family. Similarly, the debris left in the front foot wells is very noticeable. I'd expect a reasonable person to quickly report the problem when noticing these issues. However, the damage, and evidence of rodent droppings in the engine bay isn't something I'd reasonably expect Mrs M to notice. I'm not aware that she had reason to look under the bonnet. The same goes for the wire that is situated in a compartment under the floor of the boot.

Aviva's technician has shown, using a light and by crawling into the front footwells, that there was debris and evidence of rodent activity behind the dashboard. However, I don't expect Mrs M to have seen this. She became aware of an issue in this area when signs of debris appeared in the footwell having dropped down from above. She then contacted Aviva to make a claim.

Mrs M's car was serviced around a month prior to the loss she reported to Aviva. I note what she says about no signs of an infestation having been noticed by the servicing garage. I've

seen the records from this garage which support this.

Mrs M explains that she had to have a chewed seat belt fixed in order for the car to pass its MOT. But she hasn't yet had the repairs completed as she doesn't agree with paying multiple excess fees.

Having considered the evidence, although there is damage to several parts of Mrs M's car, I don't think Aviva has clearly demonstrated how this is made up of four separate claims. When asked to clarify this point it says this was based on its technician's experience. But it also initially said there were seven areas of damage. Aviva says its technician identified that the damage wasn't confined to one seat or a single component. And refers to his comments regarding possible repudiation under the exclusion regarding damage that happens gradually. However, Aviva hasn't sought to decline the claim by relying on a policy exclusion.

I'm not satisfied that Aviva has clearly shown over what period the damage occurred. Or that this occurred over either seven or four separate incidents. I don't think Mrs M is likely to have ignored the interior damage and debris in the footwell once this became apparent. From what I've read this is when the damage was reported. Aviva hasn't shown that this damage couldn't have occurred under one event when the rodents accessed the interior of the car.

In summary I'm not persuaded that Aviva has shown that this claim should be separated into four different events. Because of this I don't think it's fair to charge Mrs M more than one excess fee. I think a fair outcome is that it should settle the claim applying only one policy excess charge.

I've thought about the impact this had on Mrs M. She paid for the seat belt repair as this was necessary to pass an MOT. But she didn't think it was fair that she had to pay multiple excess fees. This caused delays in the repairs resulting in distress and inconvenience for her and her family. So, I think it's fair that Aviva acknowledges this by paying her £150 in compensation.

I said I was intending to uphold this complaint and Aviva should:

- settle Mrs M's claim applying only one policy excess charge;
- refund the cost of the seatbelt repairs, plus 8% simple interest from the date this was paid until payment is provided in full; and
- pay Mrs M £150 compensation for the distress and inconvenience it caused

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

Mrs M confirmed her acceptance of my provisional findings.

Aviva responded to say it had nothing else it could provide and that it accepted my provisional 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.

As neither party has made any further submissions or provided further evidence for me to consider, I see no reason to change my provisional findings.

So, my final decision is the same as my provisional decision and for the same reasons.

My final decision

My final decision is that I uphold this complaint. Aviva Insurance Limited should:

- settle Mrs M's claim applying only one policy excess charge;
- refund the cost of the seatbelt repairs, plus 8% simple interest from the date this was paid until payment is provided in full; and
- pay Mrs M £150 compensation for the distress and inconvenience it caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 15 November 2024.

Mike Waldron
Ombudsman