

The complaint

Mr G has complained that his former motor insurer, Aviva Insurance Limited ('Aviva'), recorded incorrect information about his vehicle on his motor insurance policy and he feels this made it invalid.

What happened

Mr G had a motor insurance policy with Aviva since 2017. In 2019 he changed the vehicle details when he bought a new van. In 2024 when he tried to change his vehicle details again to his new van, Aviva said it wasn't able to insure him as it doesn't offer van insurance under that particular brand. It later transpired that his existing van was incorrectly recorded as an estate car which is why Aviva was able to insure it.

Mr G raised a number of concerns with Aviva. He said the fact that his details were recorded incorrectly meant his policy for the previous three or so years wasn't valid. He was concerned that he wouldn't have been covered had he made a claim and that there may have been potential legal and financial implications for him. He added that he felt he was entitled to a full premium refund from 2019 as well as compensation for the distress and inconvenience he suffered.

Aviva said that because the van was insured on its system with the correct registration, this meant the van was fully insured and had there been a claim, it would have provided cover and there would have been no legal implications for Mr G. It initially offered him £60 compensation which it later increased to £75.

Mr G didn't accept Aviva's offer and said the policy had been mis-sold. He then brought his complaint to our service and asked for more appropriate compensation to compensate him for the potential risk, stress and inconvenience he was caused. He also wanted to be refunded the premiums he paid over the years that his policy did not cover the correct vehicle.

One of our investigators reviewed the complaint but didn't feel that Aviva had to do anything more. She noted that Mr G was concerned to find out the details on his policy were incorrect and the potential implications, but she couldn't make an award for something that could have happened but didn't; only what did happen. And in the circumstances, she felt Aviva's £75 offer was fair and reasonable.

Mr G didn't agree and asked for an ombudsman's decision. The matter was then 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.

It isn't in dispute that the details of Mr G's vehicle were incorrect on his policy schedule and presumably on Aviva's system bearing in mind that after Mr G inputted his correct registration, Aviva's system recorded his vehicle as a car rather than a van. And it also isn't in question that had Aviva recorded the correct details i.e. that Mr G's vehicle was a van, it would not have offered him cover under that particular brand.

So, what is left for me to decide is the impact this has had on Mr G and whether the compensation Aviva offered him was sufficient. Mr G found out that his vehicle was recorded as an estate car rather than a van in 2024. But this had been the case since 2019 even though Mr G wasn't aware of it. As our investigator said, though I can appreciate that Mr G found the prospect of not having correct insurance since 2019 distressing, the distress he experienced started in 2024 and not earlier because he wasn't aware of this before 2024. So, any compensation awarded to him would be for the distress he actually experienced and not for what he could have potentially experienced had he known earlier. I appreciate Mr G was concerned that he could have been stopped by the Police or made a claim that may have been rejected but as these scenarios didn't arise at any point this isn't something I can fairly ask Aviva to compensate him for. In the circumstances, I think Aviva's offer of £75 is fair and reasonable.

Aviva said that, in any event, Mr G's vehicle was recorded correctly on external databases, Aviva was also recorded as the insurer on cover and so there was no prospect of Mr G being stopped, for example, for being uninsured because that wasn't the case. So Aviva didn't feel there were any potential legal implications for Mr G. It also said that had Mr G made a claim during the time when the details were incorrect it would have offered cover. I think this is fair and reasonable and, in the circumstances where the details were incorrect as a result of Aviva's error, I think we would have expected it to indemnify Mr G if he had a valid claim but for his car details being incorrect.

Mr G said he feels the policy was mis-sold and that he should be refunded the premiums he paid since 2019. I appreciate Mr G's concerns about the validity of his policy, nevertheless bearing in mind Aviva appeared on external databases as a valid insurer for his vehicle and said that it would have indemnified him had he made a claim on his policy, I don't think I can fairly conclude that the policy was mis-sold or invalid. I've also borne in mind that Aviva said that van premiums are generally higher than car premiums, so Mr G most likely benefitted by paying a lower premium.

My final decision

Aviva Insurance Limited has already made an offer to pay £75 to settle the complaint and I think this offer is fair in all the circumstances. So, my decision is that Aviva Insurance Limited should pay Mr G £75.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 10 October 2025.

Anastasia Serdari
Ombudsman