

## **The complaint**

Mr M complains that Aviva Insurance Limited (“Aviva”) took an unexpected payment from the wrong credit card, and mishandled his premium payments.

## **What happened**

Mr M had a motor insurance policy with Aviva covering his car.

The policy was due for renewal in April 2025. Mr M accepted the renewal terms earlier than this, and Aviva took payment from Mr M’s credit card.

The credit card Aviva held on file had a high interest rate and Mr M wasn’t happy that Aviva took payment from it. He complained and applied a chargeback to get his money refunded.

He had to block the card. And he said he’d updated the card on file at Aviva before he’d instructed it to renew.

Aviva looked into his complaint, and Mr M had to chase it to find out what had happened. He says he incurred fees and costs because of Aviva’s actions.

Aviva said it would pay him £50 as a goodwill gesture as it didn’t agree it had done anything wrong.

Mr M remained unhappy and brought his complaint to this service. He asks for compensation and makes points about systemic failure in Aviva, a lack of secure card verification, that Aviva withheld his funds when he needed the money elsewhere, which incurred him costs and interest, that Aviva wouldn’t respond effectively for two months while he chased it up, the exhaustion he feels and failure of Aviva to call him back, that he had to block his card causing him inconvenience, that his bank told him Aviva was at fault and that it had reversed payment by chargeback but Aviva denied this, and that Aviva couldn’t demonstrate when it had changed his card.

Our investigator looked into it and thought it wouldn’t be upheld. He said he thought Aviva’s actions were fair, and it had refunded Mr M promptly. He thought the amount it had offered him was fair.

Mr M didn’t agree with the view and asked that his complaint was reviewed by an ombudsman, so it’s been passed to me to make a 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.

I need to start by saying that Mr M has made several points about Aviva’s processes and procedures. It’s not this service’s role to interfere in how a company chooses to go about its business. If Mr M has concerns about those matters, he can approach Aviva’s regulator which is the Financial Conduct Authority. It’s my role to explore if Aviva acted fairly and

reasonably in how it dealt with Mr M's policy renewal and payments.

So, I'll not refer to all of the points Mr M has made in his complaint. No disrespect is intended by doing this, which is in line with this service's informal approach.

Having read the file of evidence I've been provided, I'm not upholding this complaint and I'll explain why.

I can see from Mr M's responses to this service that he feels very strongly that Aviva was at fault for incorrectly taking funds from his credit card.

Aviva provided a copy of Mr M's policy documents showing that his high interest card was the one that was allocated to his account for policy transactions.

Mr M said he explicitly told Aviva to not take payment from that card. He says he updated the card, and then carried out the renewal. Aviva has refuted this. It said the only way for payment to have been taken from Mr M's high interest account would be that he first renewed his policy (presumably generating the payment request from its system) and then, later, he changed the card details to his new, preferred card.

Although Aviva hasn't provided evidence about exactly how this process operates, its assertions seem reasonable and I think it likely that Mr M did first renew, and then later the same day change his card details.

Throughout his correspondence, Mr M has said he "*clearly instructed*" Aviva to not use his high interest credit card. I've read the file of evidence and I'm not able to see that he told Aviva this until after he'd renewed his policy. He was certainly clear about his instructions after that point, but as I can't see this beforehand, I'm not able to say Aviva acted unfairly.

Mr M has also talked about costs and interest he's been charged and costs he incurred from a lack of funds. We asked Mr M for evidence of the charges he paid. He said he'd closed his account and transaction-level information wasn't available. It's important I say that this is an evidence-based service, and without further details of costs or charges I can't uphold this part of his complaint.

He has, however, provided a screenshot of transactions from the period and I can see that it seems to show a payment and refund on 24 March, and then a further payment on 25 March.

I've looked at Aviva's finance department's reporting of the situation. It's my understanding that it apparently applied for payment from the credit card on 24 March, and payment was actually taken on 25 March.

I've said above that Mr M has provided information that a debit and credit for the full premium was made on 24 March, but Aviva said those transactions weren't caused by it. It suggested that there'd been a problem with Mr M's bank and he should contact that company. Mr M says he did ask his bank, and the bank told him that it was a result of Aviva taking payment twice.

But Aviva's system seems clear that it took payment once. And I can see Mr M seems to have 'flagged' this transaction with his bank at the end of March and, from the information I have, this was then subject to a charge back to recover the money from Aviva.

I'll also mention that Mr M made payment from another of his cards to pay the annual premium.

I've also considered Mr M's comments about Aviva not calling him back about the problems he was having, and this led to distress and inconvenience lasting two months. I can see Mr M reiterated he was promised call backs by Aviva's finance team and I can see in Aviva's notes there are comments that Mr M's issue should have been dealt with better by it.

I don't doubt Mr M feels he's been distressed and inconvenienced by the issues he's had, but looking at the evidence I think it's fair I say that, while Aviva's service could have been better in dealing with Mr M's payment problem, I'm not persuaded to require Aviva to pay more than the amount of goodwill it's already offered him.

The reason I say this is because it's not clear that the initial payment request and refund problem may have been caused by Mr M's bank, and from the file it seems to me that the refunds were dealt with swiftly. I can see Aviva offered Mr M £50 as a goodwill gesture, and I think this amount is fair.

### **My final decision**

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 2 December 2025.

Richard Sowden  
**Ombudsman**