

The complaint

Mr A complains about Aviva Insurance Limited (“Aviva”) and their failure to reduce his motor insurance policy premium, after an outstanding claim was closed as “non-fault”.

What happened

The claim and complaint circumstances are well known to both parties. So, I don’t intend to list them chronologically in detail. But to summarise, Mr A held a motor insurance policy, underwritten by Aviva, that renewed in February 2025 while a claim was outstanding.

In July 2025, Mr A received confirmation that the outstanding claim had now closed, being categorised as “non-fault”. Mr A felt this communication led him to believe his premium would be reduced because of the claim closure. But this didn’t happen. So, Mr A raised a complaint about this.

Aviva responded to Mr A’s complaint and didn’t uphold it. In summary, they set out why they thought Mr A’s premium had been priced fairly, in line with their pricing structure and in the same way any other customer’s policy would have been. So, they didn’t offer to reduce Mr A’s premium or pay compensation for this aspect of the complaint. But they did offer Mr A £150 to recognise their delay in responding to his complaint. Mr A remained unhappy with this response, so he referred his complaint to us.

Our investigator looked into the complaint and didn’t uphold it. Both parties have had sight of this outcome, so I won’t be recounting it in detail. But to summarise, our investigator set out why they were satisfied Mr A’s premium had been priced fairly. And they didn’t agree that Aviva’s communication sent in July 2025 purposefully misled Mr A into believing a reduction would be applied. So, they didn’t recommend Aviva do anything more.

Mr A didn’t agree. He maintained his belief that Aviva’s communication in July 2025 unreasonably led him to believe a reduction in premium would be applied. So, he felt Aviva should honour this, considering the claim that had been open at the time of renewal had since closed. As Mr A didn’t agree, the complaint has been passed to me for 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.

Having done so, I’m not upholding the complaint for broadly the same reasons as the investigator.

I’ve focused my comments on what I think is relevant, in line with our services informal approach. If I haven’t commented on any specific point, it’s because I don’t believe it’s affected what I think is the right outcome.

Before I explain why I’ve reached my decision, I want to make clear what I’ve been able to consider, and how. I recognise Aviva made a £150 offer in their complaint response to

recognise delays in their complaint handling process. Complaints handling itself is an unregulated activity and so, not within our services jurisdiction to consider. So, this decision won't be commenting on how Aviva handled Mr A's complaint, or the compensatory offer put forward. It would be Mr A's own choice on whether to accept this offer, if he hasn't already.

Instead, my decision will focus solely on what our service can consider, which centres around Aviva's decision not to reduce Mr A's policy premium after his outstanding claim had closed. And the wording of their communication sent in July 2025 to ensure this was both fair and reasonable.

When doing so, I must be clear that our service can't tell an insurer such as Aviva what to charge. But we would expect an insurer to ensure all customers are treated fairly and that any premium is calculated within their pricing structure. It's also important to note this pricing structure itself is commercially sensitive information and so, Aviva aren't obligated or expected to share this with customers such as Mr A. But we would expect them to provide this to us for our consideration, and I can confirm Aviva have done so here.

I've reviewed this information at length. And having done so, I'm satisfied Aviva calculated Mr A's renewal premium fairly and in line with their pricing structure. So, it follows that I'm also satisfied Mr A was treated the same as any other customer in the same situation and I'm unable to say Aviva did anything wrong when charging Mr A the premium that they did.

But I note this isn't necessarily Mr A's concern. His concern centres around his belief that this premium should have been reduced when his outstanding claim was closed, as he feels Aviva's communication led him to believe.

So, I've reviewed the correspondence sent to Mr A by Aviva when they confirmed the outstanding claim had been closed. This explains under the heading "*How does this affect the renewal of my policy*" that Aviva will "*contact you if you have renewed your insurance policy and this claim changes the price*".

So, I would only expect Aviva to contact Mr A and offer a reduction in premium, if the claim that had recently closed impacted the price of the premium generated at renewal. And having reviewed the information available to me, I'm satisfied this wasn't the case.

In this situation, the claim was listed and rated at the renewal of Mr A's policy in February 2025 as a "non-fault" claim, as shown in his policy schedule sent to him before, and after, the renewal itself. Alongside this, I note Mr A's no claims discount ("NCD") was protected. So, because of this, I'm satisfied that Mr A's premium had already fairly rated, and considered, the claim at renewal. And so, I'm satisfied that the closure of this claim didn't have an impact on the premium price he had already paid.

So, in line with the advice given in the claim closure correspondence, I'm satisfied Aviva acted fairly, and as they said they would, by not contacting Mr A regarding his premium, as there was no change to communicate. Because of this, I'm not persuaded Aviva acted unfairly, or that they mis-led Mr A, regarding this point. And it follows that I'm not directing them to do anything more on this occasion.

I understand this isn't the outcome Mr A was hoping for. And I can understand why he may have assumed the closure of an outstanding claim as "non-fault" may have positively impacted his premium and lead to a reduction. But I hope this decision explains clearly why this wasn't the case and reassures him he's been treated fairly, and appropriately, by Aviva on this occasion.

My final decision

For the reasons outlined above, I don't uphold Mr A's complaint about Aviva Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 17 February 2026.

Josh Haskey
Ombudsman