

The complaint

Mr Y complains that Coverwise Ltd mis-sold him a travel insurance policy.

What happened

Mr Y had previously taken out annual multi-trip travel insurance policies online and by phone through Coverwise. In 2020, his policy couldn't automatically be renewed due to a change in the policy insurer's medical screening questions, so Mr Y got in touch with Coverwise to renew his policy.

During the call, Mr Y learned that his policy didn't cover missed flight connections. If he wanted to be covered for this situation, he needed to add travel disruption cover to his policy and pay an additional premium.

Mr Y was unhappy that his policy didn't cover missed connections and he complained. He said he'd been told at the 2019 renewal that the policy *did* cover this situation. Coverwise said it no longer had a copy of the call from the 2019 renewal, so it couldn't listen to what'd been said. It accepted there might've been a misunderstanding. But it said the policy documents it'd sent Mr Y clearly stated that connecting flights weren't covered. And in any event, it didn't think Mr Y had lost out financially as a result of connecting flights not being covered. Mr Y remained unhappy with Coverwise's decision and asked us to look into his complaint. He felt he should get a refund of premiums or compensation.

Our investigator didn't think Mr Y's complaint should be upheld. He acknowledged that Mr Y might've wrongly been told that connecting flights were covered. But as he hadn't made a claim during the life of the policy, he hadn't lost out. And he felt if Mr Y had been aware that connecting flights weren't covered, he would've paid the additional premium for travel disruption cover. So he didn't think Mr Y was worse-off as a result of anything Coverwise had done.

Mr Y disagreed. He felt he'd been lied to. He didn't think it was relevant whether he'd made a financial loss as he hadn't got the policy he wanted. He said he probably would've paid extra for travel disruption cover if he'd known about it. He was concerned that Coverwise might be selling the wrong cover to others.

The complaint's been 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.

Having done so, I don't think Coverwise has done anything wrong that it needs to put right. I'll explain why.

As the investigator explained, when Coverwise sold Mr Y the policy, it needed to give him enough clear information about it so that he could decide if it was right for him. It's unfortunate that Coverwise no longer has a copy of the renewal call so that I could hear what

was discussed. It's possible Mr Y was wrongly told that connecting flights were included in the type of policy he had.

But in making my decision, I have to decide what I think Mr Y would most likely have done had he been given the right information and whether he's lost out as a result. In this case, Mr Y's told us that if he'd known connecting flights could be covered for an additional premium, he'd have paid for the cover. This means he'd have paid more than he actually did for the policy. So he isn't financially worse off because of any potential information failings during the call.

And happily, Mr Y didn't need to make a claim for missed connections during the life of his policy. So he hasn't lost out as a result of anything he may've been told. Mr Y had the benefit of the annual policy he did take out though, which covered him for any trips he took during that year. This means I don't think I could reasonably tell Coverwise to refund him for a policy he's benefited from and the level of cover he paid for, even if it didn't provide all the cover he thought it did.

It seems, from what I've seen, that Coverwise provided Mr Y with the policy documents after the policy renewed, on the insurer's behalf. The Insurance Product Information Document it sent out - which lists key terms and limitations on cover - clearly stated that connecting flights weren't covered. So I think Coverwise met its responsibility to ensure Mr Y was given the policy documentation.

I understand Mr Y is concerned that Coverwise may be giving other customers wrong information. My decision is limited to whether Coverwise treated Mr Y unfairly. We're not the industry regulator and we don't punish or fine the businesses we cover. So I've only looked at the individual circumstances of Mr Y's complaint.

Overall, while I'm sorry to disappoint Mr Y, I don't think Coverwise needs to do anything more.

My final decision

For the reasons I've given above, my final decision is that I don't uphold Mr Y's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 14 September 2020.

Lisa Barham
Ombudsman