

The complaint

Mr O complains that Aviva Insurance Limited unfairly declined his travel insurance claim.

What happened

Mr O left the UK to commence a trip on 11 March 2020. He was scheduled to return on 23 April 2020, but because of the travel disruption caused by the Covid-19 pandemic wasn't able to return to the UK until October 2020. As Mr O held a worldwide travel insurance policy with Aviva, he made a claim for the additional costs he'd incurred as a result of being unable to return to the UK as planned.

Aviva declined Mr O's claim and said no cover was available. It explained his policy only provided cover for trips of no more than 31 days in duration and Mr O's pre-booked trip was scheduled to be longer than that. It also explained that in the event of wanting to cover a trip of more than 31 days in duration, a trip extension upgrade needed to have been purchased prior to the trip commencing and Mr O hadn't purchased such cover.

Mr O complained and while Aviva maintained its position regarding Mr O's claim, it did acknowledge one of its staff had incorrectly told him it may look to consider his costs in an email. Aviva apologised for the expectations that may have set, and offered £100 in compensation. Mr O rejected Aviva's offer and referred his complaint to this service.

Our investigator didn't think Aviva had acted unreasonably. They said Mr O's policy was clear about the maximum trip duration and the compensation offered was a fair reflection of the impact of the incorrect information sent.

Mr O did not agree. He referred to The Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA) and said Aviva had misrepresented itself by sending that email. He said that misrepresentation had been careless, deliberate, or reckless, and he'd been caused both stress and financial burden.

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.

The claim

Aviva has a responsibility to consider claims both promptly and fairly, and not reject them unreasonably. I don't think Aviva declined Mr O's claim unreasonably for the reasons I'll now explain:

- The terms and conditions of Mr O's travel insurance policy set out the agreement between him and Aviva. One of the first things those terms and conditions say is:

"Welcome to your [X] Worldwide Travel Insurance.

Please take time to read this policy document as it contains important information. To

help you understand what you are covered for at a glance – we've highlighted some common questions below...

“What is the maximum trip length?”

Trips should be no longer than 31 days and must start and end in the UK. However, when booking your trip, you may be able to purchase an upgrade to cover an extended duration.”

“What upgrades are available on this policy?”

For an additional cost the following upgrades are available:

- *Extended trip duration up to a maximum of 90 days*
- *...*

For further information please call the Upgrade number shown overleaf.”

So, Aviva correctly explained that Mr O's policy only covered trips that were no longer than 31 days in duration, and given Mr O's pre-booked dates of travel were 11 March 2020 to 23 April 2020 it correctly concluded his trip fell outside of that.

- Mr O has said that the travel disruption he faced came into effect very shortly after his trip had commenced, and certainly within 31 days of him leaving the UK so there should be some coverage under his policy. Under the policy's *“Helpful and important information about your insurance”* section, the trip limit element is further explained as:

“Trip Limit

You are covered for any trip beginning and ending in the UK that lasts no more than 31 days: please make sure that this trip duration is adequate for your need before you travel. There is no cover at all for any trip that is longer than 31 days and we will not insure any part of any trip that is longer than 31 days unless you have purchased an appropriate trip extension upgrade before you leave home to begin your trip.

If you require cover for an extended duration please call the Upgrade helpline number shown before you book your holiday, to ask whether or not we can extend the trip limit under this policy.”

I appreciate the position Mr O has taken here, but I'm satisfied Aviva applied the terms and conditions of his policy fairly when explaining there was no cover available for any part of his trip.

- As referenced above, a policy holder may be able to purchase a trip extension upgrade. If Mr O had wanted this upgrade, he'd have needed to call Aviva prior to booking his trip to see if it was available to him. Mr O didn't have any such upgrade for the trip he claimed for however, and I remain satisfied Aviva applied the terms and conditions of his policy correctly.

The compensation

Compensation is not intended to be a punitive measure. It is designed to be a fair and proportionate reflection of the impact a business's mistake has had on someone. I'm sorry to disappoint Mr O, but I won't be recommending an increase in Aviva's compensation for these reasons:

- Aviva accepts it misled Mr O's expectations when one of its emails made reference to

considering his claim. Mr O has said this was a careless, deliberate, or reckless misrepresentation from Aviva and referred to CIDRA, but that Act doesn't apply in the circumstances of this complaint. CIDRA came into force on 6 April 2013 and it's relevant to misrepresentations a consumer might make when taking out or renewing an insurance policy.

- I understand why Mr O is frustrated with the incorrect information Aviva gave him. It temporarily led him to believe the costs he was seeking may be considered and given Mr O's policy had a clear maximum trip limit, I think Aviva could have flagged that to him sooner than it did.
- It was right of Aviva to acknowledge that it misled Mr O's expectations. But the fact it did so doesn't mean it's now liable to accept his claim. Rather, it means it should recognise the impact the incorrect information had on him.
- Aviva has already apologised to Mr O which I think was the right thing for it to do. It has also offered him £100 compensation. I know Mr O chose not to accept that offer, but I do think it represents a fair and proportionate reflection of the impact Aviva's email had on him. So I think Aviva should now pay it.

Putting things right

If it hasn't already done so, to put things right Aviva should now pay Mr O £100 in compensation.

My final decision

My final decision is that I uphold this complaint. Aviva Insurance Limited should put things right in the way I have set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 2 September 2022.

Jade Alexander
Ombudsman