

The complaint

The estate of Mr T is unhappy with the way that Aviva Insurance Limited handled a claim on his travel insurance policy.

What happened

In 2019 Mr T very sadly died whilst he was on holiday. His estate made a claim on the policy for repatriation and funeral costs. They also claimed under the personal accident section of the policy.

Initially, Aviva declined to settle the claim because they thought that some of the exclusions in the policy may apply. However, in February 2021, once they'd received further evidence, they agreed to pay the repatriation costs and the personal accident claim. However, they said the funeral costs in the UK weren't covered by the policy and declined to pay for the translation of two documents. The estate was also asked to provide Aviva with letters of administration in order to settle the claim. The claim wasn't settled until October 2021.

Mr T's estate made a complaint about how the claim had been handled and delays in settling it. Aviva acknowledged that there had been a delay in reviewing the further evidence and offered a total of £175 compensation in two separate final response letters. The estate made a complaint to our service as they remained unhappy with the service from Aviva.

Our investigator looked into what had happened and didn't uphold the complaint. He explained our service doesn't have the power to make an award to the estate of Mr T for the distress and inconvenience they'd experienced. He thought Aviva's decision to pay the claim after the coroner's report had been received was reasonable. But he thought Aviva should pay for the cost of translating the reports. He also clarified whether the total of £175 compensation was still open to the estate to accept.

Aviva responded to say it would still agree to pay the estate £175 compensation and the translation costs as a gesture of goodwill. The estate asked for the complaint to be referred to an ombudsman to review the complaint. In summary, they said they'd never been told about the administration letters and had found the whole experience of dealing with Aviva very distressing. So, I need 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.

The overall circumstances of this case are very sad. I'd like to express my deepest sympathy to Mr T's family. It's clear that they have been through a very difficult and traumatic time following Mr T's tragic and unexpected death. I'm very sorry to hear what an incredibly difficult and upsetting time it's been for them.

My role is to decide whether the insurer has acted fairly and reasonably when it handled the claim. In reaching that conclusion I've taken into account the relevant rules and industry

guidelines. They say that Aviva has a responsibility to handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

Aviva has now offered to pay the translation costs and has confirmed that its offer of a total of £175 compensation remains available. So, the key issues for me to decide are whether Aviva has fairly declined to pay the costs of the funeral in the UK and whether there were unreasonable delays in settling the claim.

I don't think Aviva needs to do anything further to put things right because:

- Although it took over 18 months to make a decision about whether the claim was payable I think that was reasonable in the circumstances of this complaint. I think the main reason for the delay in settling the claim was because Aviva was awaiting more information about the circumstances surrounding Mr T's death.
- When Aviva reviewed the claim, they thought that the general exclusions in the policy may apply – this meant that the estate may not have been entitled to claim anything under the policy at all. The relevant exclusions included, but were not limited to, alcohol consumption.
- I've looked at what information Aviva had when it first reviewed the claim. They had limited independent evidence about the circumstances of Mr T's death and there were some inconsistencies in the information which was available. I think they reasonably concluded they needed much more detailed information before they could pay and settle a claim.
- In December 2020 Aviva received the transcript from the Coroner's Inquest. The transcript from the Coroner explored a number of factors which were relevant to whether the policy exclusions applied. Having looked at this evidence Aviva concluded that that policy exclusions didn't apply and settled the claim. I think this was reasonable because, for example, it ruled out that intoxication was in any way connected to Mr T's death. And it explored the factual details of what happened clearly and concisely, including reference to video footage which had been obtained. So, the transcript clarified the circumstances of Mr T's death considerably.
- It did take Aviva too long to review this transcript. A claims decision wasn't made for around ten weeks after it was received. Aviva has agreed this should have been done sooner and offered to pay compensation for the delay.
- In any event I can't direct Aviva to pay the estate any more than the total of £175 it's offered in recognition of the delays in this case. That's because the estate of Mr T has made the complaint on his behalf as they are authorised in law to do so. Therefore, I cannot compensate an executor for any impact on them personally when representing Mr T after his death.
- Even if I accept that Aviva could have told the estate about the need for the letters of administration, I don't think this changes my thoughts about the overall outcome of this complaint. That's because, as I've outlined above, I have no power to award compensation to Mr T's estate for the distress and inconvenience they experienced. So, I have no power to make an award for any further delay.

Putting things right

Aviva needs to put things right by paying the estate of Mr T:

- The £175 compensation for distress and inconvenience it's already agreed to pay
- The cost of the two translation reports it's already agreed to pay.

My final decision

I'm upholding this complaint against Aviva Insurance Limited and direct it to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr T to accept or reject my decision before 14 November 2022.

Anna Wilshaw
Ombudsman