

The complaint

Miss H has complained that Aviva Insurance Limited mis-sold her a travel insurance policy and that a claim she made on the policy was declined as a result.

What happened

Miss H went on a trip abroad, leaving the UK on 20 August 2023. She purchased the policy the following day. She unfortunately had a serious accident a few days later that required hospitalisation for an operation, and repatriation. Upon making a claim, Aviva declined it on the basis that she had declared incorrectly during the application process that the trip had not yet started. Had she correctly confirmed that she was already on holiday, cover would have been declined. Therefore, Aviva cancelled the policy from inception (so as if it had never existed) and refunded the premium amount. It follows that, as the policy was cancelled, Miss H was not able to benefit from the cover it provided and her claim was declined.

Our investigator didn't think Aviva had done anything wrong, either during the sale or in declining the claim. Miss H disagrees and so the complaint has been passed to me for a decision.

Miss H has been represented by a family member in making this complaint. However, for ease, I will just be referring to Miss H in this 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've carefully considered the obligations placed on Aviva by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for Aviva to handle claims promptly and fairly, and to not unreasonably decline a claim.

I've also considered the Financial Conduct Authority's overarching Principles for Businesses. That includes Principle 12 of the Financial Conduct Authority's Principles for Businesses ('the Consumer Duty') which says a firm must act to deliver good outcomes for retail customers (such as acting in good faith and avoid causing foreseeable harm).

Miss H accepts that the policy does not provide cover in the circumstances of it being bought after a trip has already started. However, due to what she considers to be failings in the sales process, she feels that Aviva should agree to settle the claim, or at least contribute to the costs incurred following her accident.

Miss H applied for the policy online. Early on in the process an applicant is asked to check whether the following statements are correct:

- *'Are a UK resident.....'*

- *Have had less than 3 travel insurance claims in the past 3 years*
- *Have not already commenced the trip to be covered*
- *Are not travelling against medical advice or to receive medical treatment or advice abroad*
- *Have not been told you have a terminal illness*
- *Have never had travel insurance refused, cancelled or special terms imposed.*
- *Have not received any criminal conviction for fraud, dishonesty or deception in the last 5yrs.'*

Immediately after this, there is an information box stating:

'Remember: You must take reasonable care to give us full and accurate answers. If not, we may cancel or change your policy, or refuse to pay all or part of a claim.'

An applicant then has to tick either 'Yes' or 'No' against the question:

'Do you agree with these assumptions?'

Miss H ticked the 'Yes' box, which she accepts she did in error.

Miss H says she was unaware that cover was not available after the start date of a trip and that the links to the detailed policy conditions only appear after the 'get a quote' section. She says that, as the term is so significant, it should appear prominently at the start of the process. She's also said that she missed the relevant point in the assumptions as it was buried within dense text. Miss H has a medical condition and she doesn't think that Aviva has done enough to discharge its duties to her as a vulnerable consumer in regard to the design of its website.

She says Aviva failed to ensure she understood the product she was buying. But the purpose of the assumptions statements is to establish at an early stage someone's eligibility for cover. If an applicant answers 'No', then they would get a pop-up box advising them that cover was not available. They could then exit the process without wasting their time by clicking the links to further understand the details of cover that ultimately wouldn't be available to them. So, there would be no need to read the small print.

Miss H says that on the trip details page, where you are asked for the policy start date, there is no warning that the date can't be after you have begun the trip and the field defaults to the current day's date. Defaulting to the current date would make sense, as that would be the earliest date that someone could take out the insurance (prior to leaving home to start their trip later the same day) I do take Miss H's point but, again, this wouldn't cause an issue as long as someone answered the assumptions question correctly.

I can't agree that the issue of the trip having commenced is buried in dense text. It is set out in a well-spaced out list and is bullet point three of seven. Furthermore, the information box immediately below emphasizes the need to answer accurately.

Miss H has highlighted that firms should be able to spot signs of vulnerability. But she took out the policy online, without any input from an adviser. Aviva provides the option to apply by phone or live chat for those that need additional support.

I've thought about everything that Miss H has said. However, overall, I'm satisfied that Aviva's online application process contained a clear question about whether the trip had commenced or not.

Miss H has asked if Aviva can be brought to account for having a website that is not good enough. As I've explained, I'm not persuaded that the website isn't good enough in regard to the matter at hand. However, I should make clear that we are not the industry regulator. We have no powers to regulate the financial businesses we cover, nor to direct them to change their processes or procedures. Our role is to investigate individual complaints made by consumers to decide whether, in the specific circumstances of that particular complaint, a financial business has done something wrong which it needs to put right.

There is no suggestion that Miss H intended to deliberately provide misleading information. But I don't think that the design of the website is the reason for the misrepresentation. Overall, I consider that she didn't take reasonable care when completing the application.

I'm satisfied that, had Miss H answered 'No' to the list of assumptions, cover would have been declined. As it wouldn't have offered her the policy, it is reasonable that Aviva has declined the claim, cancelled the policy and refunded the premium.

I do have sympathy with Miss H's situation. She forgot to buy insurance at an earlier date and so thought she was doing the right thing by applying when she did. However, based on the available evidence, I'm unable to conclude that Aviva has done anything wrong.

My final decision

For the reasons set out above, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 14 November 2024.

Carole Clark
Ombudsman