

The complaint

Mr and Mrs H complain about their travel insurance policy underwritten by Liverpool Victoria Insurance Company Limited (LV).

What happened

In summary, Mr and Mrs H had an annual travel insurance policy with LV which started on 20 October 2022 and ended on 19 October 2023. During the policy year, Mr and Mrs H booked a trip with a departure date in June 2024.

In September 2023, LV wrote to Mr H and said as its annual travel policy covers customers up to the age of 80, it wasn't able to renew his current policy. LV said its single policy has no age limit.

Mr H assumed the 2022/2023 policy would cover trips taking place *after* the end date of that policy. He spoke with LV in order to take out an annual policy for Mrs H and became aware his assumption wasn't correct. Mrs H took out a new annual travel insurance policy and Mr H took out a single trip policy for their June 2024 trip.

Mr and Mrs H say LV is wrong to say the annual policy for the year 2022/2023 didn't cover the trip in June 2024. They say LV's conclusion is wrong, based on a proper interpretation of the policy wording.

Mr and Mrs H say even if LV's interpretation of the policy wording is correct, there are flaws in the renewal process. They say the renewal letter for the year during which the policyholder will reach 80 doesn't say renewal won't be offered or there's no cover for trips already booked but which take place after the end date of the policy. Mr and Mrs H are concerned others in a similar position may find themselves uninsured when they thought they had cover.

Mr and Mrs H want LV to confirm their annual policy for the year 2022/2023 covered their June 2024 trip. They also want LV to reimburse the cost of Mr H's single trip policy he took out to cover that trip. Mr and Mrs H want confirmation that if they had taken a trip after the policy end date and not realised they were uninsured, this service would have directed LV to deal with a claim arising from an insured event.

In response to Mr and Mrs H's complaint, LV maintained its position about the 2022/2023 policy but paid Mr H compensation of £25 in relation to service issues. Mr and Mrs H pursued the complaint.

One of our Investigators looked at what had happened. The Investigator didn't recommend Mr and Mrs H's complaint be upheld. He thought it was clear from the policy terms that cover ends on the end date shown on the policy, so on 19 October 2023 in this case. The Investigator said it would be unusual for an annual policy to cover a trip taking place after the policy had ended, as the policy is designed to cover events occurring in the policy year. He thought the information LV had provided to Mr and Mrs H was clear.

Mr and Mrs H didn't agree with the Investigator. Mr H responded and reiterated the elements of the complaint. He said their main motivation in bringing their complaint is to prevent others finding themselves unexpectedly uninsured.

The Investigator considered what Mr H said but didn't think it changed the outcome of the complaint. Mr and Mrs H asked that an Ombudsman consider their complaint, so it was 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.

I've taken into account the law, regulation and good practice. Above all, I've considered what's fair and reasonable.

It's clear Mr H in particular has very strong feelings about this matter. He has provided detailed submissions to support the complaint, which I have read and considered. As the Investigator has explained, we are not the regulator. This service was set up to provide an informal alternative to the courts for consumers who have complaints about business' actions. We look at individual complaints and we can't direct LV generally about how it conducts its business or how it should deal with groups of customers. Neither do we deal with hypothetical situations, such as the one posed by Mr H about him finding himself uninsured whilst on a trip. I'm looking at whether LV treated Mr and Mrs H fairly and reasonably in this case.

LV is obliged to provide Mr and Mrs H with information that's clear and not misleading. The Insurance Product Information Document (IPID) is a summary of key information and contains the following:

'When does the cover start and end?

Annual multi-trip cover is for a period of one year and is renewable each year until anyone on the policy reaches 80 years of age [...]

The policy defines '**Period of cover**' as follows:

'Period of cover [...]

For annual multi-trip cover

*Cancellation cover begins on the cover start date shown on **your schedule** or the date **you** booked **your trip**, whichever is later, and ends when **you** start **your trip***

*For all other sections, cover starts at the beginning of **your trip** and finishes at the end of **your trip***

*All cover ends on the cover end date shown on **your** policy unless **you** can't finish **your trip** as planned because of death, injury or illness or there is a delay to the public transport system that can't be avoided, in which case **we'll** extend cover free of charge until **you** can reasonably finish **your trip**'*

'**Trip**' is defined as:

'A journey that takes place during the period of cover which –

- *begins when you leave home or the United Kingdom (if the policy was purchased after you left home)*

- *ends when you get back home or to a hospital or nursing home in the United Kingdom, whichever is earlier*
- [...]
- *For annual multi-trip cover*
 - *There is no limit on the number of **trips** that **you** take during the **period of cover***
 - *[...]*

I think the information LV gave to Mr and Mrs H about the period of cover for the 2022/2023 annual policy was clear and unambiguous. Except for certain circumstances which aren't relevant here, '*All cover ends on the cover end date shown on **your** policy...*'. The cover end date of Mr and Mrs H's annual multi-trip travel insurance policy was 19 October 2023. I don't think there's anything in the policy's definition of '**period of cover**' which supports Mr and Mrs H's contention that the policy covers a trip in June 2024. A '**Trip**' is defined as a journey that takes place during the period of cover, which was between 20 October 2022 and 19 October 2023 here. I don't think LV treated Mr and Mrs H unfairly when it said their 2022/2023 policy wouldn't cover their trip in June 2024.

I'm not aware of any policy of this type that covers trips which start after the end date of the policy. Whilst there's no limit to the number of trips Mr and Mrs H may take during the policy year, the trips must take place during the period of cover.

I appreciate Mr H assumed the 2022/2023 policy would cover their June 2024 trip but that's not the case. Subject to the policy terms, the 2022/2023 policy covered cancellation of a future trip when the cancellation took place during the term of the policy. Once the cover end date has passed, there's no further cover. Based on what I've seen, I don't think LV was responsible for Mr H's incorrect assumption about the 2022/2023 policy covering the June 2024 trip.

I've looked at the content of the letter LV wrote to Mr H in September 2023. In that letter, LV told Mr H the annual policy covers customers up to 80 years old, so it wasn't able to renew the policy. LV directed Mr H to its single trip travel policy which has no age limit. I don't think LV was required to remind Mr H that trips starting after the end date of the 2022/2023 policy wouldn't be covered. I think LV had previously provided Mr and Mrs H with sufficient information to enable them to conclude that cover ended on the cover end date.

I'm sorry to disappoint Mr and Mrs H but there are no grounds on which I can fairly direct LV to confirm the annual policy for the year 2022/2023 covered their June 2024 trip or to reimburse the cost of Mr H's single trip policy.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 4 November 2024.

Louise Povey
Ombudsman