

## The complaint

Mr B complains because Aviva Insurance Limited only paid part of a claim under his travel insurance policy.

All references to Aviva include the agents appointed to handle claims and complaints on its behalf.

## What happened

Mr B is insured under a travel insurance policy provided in connection with a packaged bank account. The policy is underwritten by Aviva.

Unfortunately, while on holiday abroad, Mr B was mugged and had four items of jewellery stolen. Mr B made a claim with Aviva for the stolen items, providing a police report and photographs as proof of ownership. Aviva accepted the claim and paid Mr B £400, which it said was the maximum limit payable for valuable items.

Mr B disputed this and said Aviva should be paying him £400 per valuable item stolen. Aviva looked into the complaint but maintained its stance and said the policy limits were clearly documented, so Mr B brought the matter to the attention of our Service.

Our Investigator said he didn't think Aviva had acted unfairly or unreasonably in the circumstances. Mr B didn't agree so the complaint was referred to me to make a decision, as the final stage in our process. I made my provisional decision about Mr B's complaint in January 2026. In it, I said:

*'When making an independent and impartial decision about Mr B's complaint, I'm only considering the individual facts of his specific case. Previous decisions issued by our Service don't set precedent and I'm not bound to follow them. The rules that govern my remit and powers set out relevant considerations for me to take into account when deciding what I think is fair and reasonable in the circumstances of a case, and previous decisions aren't one of them. I simply cannot comment on a previous final decision made by a different Ombudsman about a complaint involving different facts.*

*It's for me to determine what evidence I think is necessary to reach a decision, and I'm not obliged to comment on every complaint point raised so I'll only be addressing what I think are the key issues.*

*Industry rules set out by the regulator say insurers must handle claims fairly and shouldn't unreasonably reject a claim. Consumer Duty principles say firms must support retail customers' understanding and communicate in a way which is clear, fair and not misleading. I've taken these rules and principles, alongside other relevant considerations such as the law, into account when making this provisional decision.*

*It's common for most travel insurance policies to set out limitations on the amount of money that can be claimed for valuables. I don't think this is a significant or an unusual restriction on cover, but I'd expect any such policy limitations to be set out in clear and unambiguous*

terms in the policy documentation.

The terms and conditions of Mr B's policy say that jewellery falls within the definition of 'valuables'. The policy goes on to say:

*'The most we'll pay for your belongings is £1,500 per person. This includes limits of*

*....*

- £400 maximum for any valuables, individual item, pair or set.'*

*I've taken into account dictionary definitions of the word 'any', as well as what I consider to be the ordinary, everyday meaning of the wording used as well as the context of the wording within the overall policy (in particular, I note the word 'valuables' is followed by the phrase 'individual item').*

*Aviva interprets this wording as meaning there is a £400 limit in total applying to a claim for all valuables. As I've explained, it's open to Aviva to set such limits within their policies and I understand Aviva's intention may have been to apply a cap of a total of £400 to a claim for multiple valuable items. But I don't think this is explicitly clear from the policy wording and words such as 'all' and/or 'total' don't appear in the policy wording which I've set out above. And, while this isn't the basis for my provisional findings, I note such wording does appear in some other versions of the policy terms and conditions for accounts like this.*

*Mr B interprets the wording I've quoted as meaning there is a £400 limit on a claim for each valuable item. In the absence of words like 'all' and/or 'total' in the wording which I've quoted from the terms and conditions, I don't think Mr B's interpretation of the policy is unreasonable.*

*This means I think it's possible to reasonably interpret the policy wording in more than one way, so it is ambiguous. Mr B is therefore entitled to receive the benefit of the interpretation which is most favourable to him.*

*I understand Aviva told Mr B it had applied internal guidance when declining his claim. There may be circumstances where I'd consider it fair for an insurer to rely on such guidance but, in a situation such as this where I think the policy wording is open to interpretation, I'm satisfied it would be fair and reasonable for Aviva to now pay Mr B's outstanding claim. I also understand Mr B says Aviva acknowledged during a telephone call that the policy wording was confusing. I wouldn't generally consider conversational comments like this to be persuasive in deciding whether I think an insurer has acted fairly or reasonably in the circumstances but, in any event, this makes no difference here as I've already concluded I think it would be fair and reasonable for Mr B's outstanding claim to be paid.*

*So, I intend to direct Aviva to disregard the valuables limit and pay Mr B's outstanding claim up to the total policy limit of £1,500 which applies to the 'Your belongings' section of the policy, subject to any applicable policy excess.*

*I also think Aviva should pay Mr B compensation for the distress and inconvenience he experienced as a result of his claim being unfairly declined. I appreciate this happened at what was already an upsetting time for Mr B and, in deciding what level of award which I think is appropriate in the circumstances, I've taken into account the timeline of events and the impact on Mr B up until the date of Aviva's final response to the complaint. Of course, it's difficult to put a value on distress and inconvenience and it's important for Mr B to understand that I have no power to seek to punish or fine a business for its actions through an award of compensation.*

*Having taken into account our Service's published guidance on compensation for distress and inconvenience, I'm currently satisfied that a payment of £100 would be fair and reasonable in the circumstances.'*

Mr B accepted my provisional decision and so did Aviva.

### **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.

As neither party has provided any additional submissions or new evidence, I see no reason to change my provisional decision.

### **Putting things right**

Aviva Insurance Limited needs to put things right and do the following:

- pay Mr B's outstanding claim up to the total policy limit for belongings of £1,500, subject to the deduction of any applicable policy excess together with interest at 8% simple per annum on the outstanding claim amount from one month after the date the claim was made until the date of settlement:
- pay Mr B £100 compensation for the distress and inconvenience he experienced.

Aviva Insurance Limited must pay the compensation within 28 days of the date on which we tell it Mr B accepts my final decision. If it pays later than this it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple<sup>1</sup>.

### **My final decision**

I'm upholding Mr B's complaint about Aviva Insurance Limited, and I 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 Mr B to accept or reject my decision before 2 March 2026.

Leah Nagle  
**Ombudsman**

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<sup>1</sup> If Aviva Insurance Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr B how much it has taken off. It should also give Mr B a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.