

The complaint

Mrs M has complained that Aviva Insurance Limited declined a claim she made on a travel insurance policy.

What happened

Mrs M was on a trip abroad in August 2024. Part of her itinerary involved taking a boat to her next location, with onward travel from there. However, the boat was unfortunately not operating that month due to low seasonal demand, forcing her to change her plans. She therefore made a claim on the policy for the additional costs incurred.

Aviva declined the claim on the basis that the circumstances are not covered under the policy terms, namely that the boat trip had not been pre-booked.

Our investigator thought that Aviva had acted reasonably in declining the claim. Mrs M disagrees and so the complaint has been passed to me for 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.

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.

Mrs M has said that travel insurance is intended to provide protection when something occurs that is outside the control of the traveller, resulting in losses or additional costs.

That is generally the case. However, insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. The test then is whether the claim falls under one of the agreed areas of cover within the policy.

So, I've considered the terms of the policy Mrs M held, as this forms the basis of contract between the parties.

Looking at the policy terms, under the section for 'Travel disruption', it states:

'We'll cover unexpected additional travel and accommodation costs to allow the insured person to continue their trip or to get home at the end of their trip, if their pre-paid travel plans are disrupted for the following reasons.

(.....)

- *the insured person's pre-booked travel arrangements are cancelled or delayed for more than 12 hours from the time shown on their ticket or diverted after departure,*

and the travel provider is unable to provide suitable alternative arrangements within 24 hours of the original departure’.

Mrs M has explained that she has a health condition which impacted her during the trip. She isn't claiming any medical expenses, rather, she has highlighted this to add some context to her reasons for the alternative arrangements she made as a result of the boat not running, in particular that she was unable to undertake a quicker and cheaper transfer by road to put her back on her original itinerary.

She says the disruption meant that she suffered clear financial losses as she was unable to reach her pre-booked accommodation and flight in time, so her losses were unavoidable and are unrecoverable. That's not in dispute. However, the matter at hand is whether those circumstances are covered under the policy terms.

The above policy wording is very clear that you are covered for the failure of pre-booked travel. Mrs M had not pre-booked the boat trip. I appreciate what she has said about transport commonly not being pre-booked in that country. However, I'm not persuaded that means Aviva should act outside the policy terms to cover the claim. Whilst perhaps being uncommon, it is possible to book the boat trip in advance. And the policy terms are clear that travel disruption only becomes a covered event if the travel plans are pre-paid.

Whilst she has incurred losses due to the non-refundable costs of pre-booked accommodation and flights, those arose directly from the non-running of a boat journey that she hadn't pre-booked, which is not an insured peril. Overall, based on the available evidence, I'm satisfied that it was reasonable for Aviva to decline the claim, in line with the policy terms and conditions.

Mrs M has said that Aviva also didn't sufficiently consider the genuine and well-documented medical basis for her inability to travel by road. Had the claim been due to an insured event, then I would have expected Aviva to take her medical condition into account when assessing the claim, to determine whether the alternative arrangements she made were reasonable in the circumstances. However, as the reason for the travel disruption wasn't due to a covered event, those wider considerations fall away.

I have a great deal of sympathy for Mrs M's situation. She had planned her itinerary, fully expecting the boat to be running and hadn't felt the need to pre-book it. The boat not being in operation that month was outside of her control and she suffered a great deal of stress and anxiety as a result, exacerbating her existing medical condition. She needed to do what she felt was best in terms of making alternative arrangements, and there's no suggestion that she should have attempted a road journey. However, I'm unable to conclude that Aviva has done anything wrong, as it was reasonable for it to decline the claim.

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 Mrs M to accept or reject my decision before 8 May 2026.

Carole Clark
Ombudsman