

## The complaint

Mr C complains about how Howserv Limited trading as Avanti Travel Insurance administered his travel insurance policy.

## What happened

Mr C bought an annual multi-trip travel insurance policy to insure him which was due to start on 9 March 2025. Howserv is an insurance intermediary and responsible for the sale of the policy and any amendments to the policy. The policy is underwritten by a different business.

On 4 March 2025 Mr C contacted Howserv through its webchat to ask about extending the maximum trip duration from 50 days for a planned trip to a country I'll refer to as S. Howserv told Mr C an upgrade could be added online before travel, or if he was already abroad by calling customer services.

On 6 March 2025 Mr C asked Howserv through its webchat if he could cancel the policy as it hadn't yet started. Howserv said cancellation was possible but, as it was outside the 14 day cooling-off period, no refund would be given. Mr C told Howserv not to cancel the policy and asked for a transcript of the webchat, which Howserv sent.

On 9 March 2025 Mr C and his wife travelled to S. On 5 April 2025 he started to look at extending the maximum trip duration and noticed that in the webchat he had with Howserv on 6 March 2025 it told him it had cancelled the policy. He e-mailed Howserv on 5 April 2025 to correct the problem and he says he and his wife decided to limit their activities in case he had an accident or incident for which he wasn't insured. He tried to take out insurance cover from other insurers but was unable to as the trip had started.

On 14 April 2025 Howserv confirmed Mr C's policy had been reinstated and cover had been in place since 9 March 2025. But when Mr C then tried to increase the maximum trip duration on the policy Howserv said it couldn't do so as the trip had started.

When Mr C complained to Howserv it accepted: it had wrongly cancelled the policy; it had taken too long from 5 April to 14 April 2025 to reinstate the policy and had poorly communicated with Mr C about the problem; it had wrongly told him the maximum trip duration could be extended while he was on the trip.

Howserv apologised and accepted its errors and poor service had caused Mr C considerable distress, frustration and affected the enjoyment of his holiday. It said Mr C had told it he suffered no financial loss, such as missing out on pre-booked activities. It offered £200 in compensation for his distress and inconvenience.

Mr C rejected the offer and asked Howserv to cover the £3,700 cost of a new trip to S or increase its compensation award for distress and inconvenience to £5,000. It didn't agree and Mr C complained to us. In summary he said:

- Howserv's offer of £200 compensation was 'derisory' as being in S without insurance cover was incredibly stressful for him and his wife, especially given his pre-existing medical conditions for which the policy gave five million pound cover for medical

treatment. They stayed in the hotel for the ten days it took Howserv to confirm it had reinstated the policy as knowing he wasn't insured meant he chose not to take part in activities he would have experienced as he believed it wasn't worth the risk of him having an uninsured event.

- He wants compensation to enable him and his wife to re-visit S and do the activities and experiences they missed.
- He wants Howserv to implement systems that reduce the chances of other customers having the same problems, speed up its reaction in time critical matters and to give clear notification of policy cancellation.

Mr C also asked us to confirm several things he said Howserv had told him, which I'll refer to in my findings below.

Our Investigator explained this Service's role isn't to punish businesses for any wrongdoing nor make punitive awards and we're not the regulator so we can't tell a financial firm how to run its business. He explained what he'd taken into account when considering a reasonable compensation award. He ultimately said Howserv's £200 compensation offer wasn't enough to acknowledge the distress and inconvenience its errors and poor service had caused Mr C. He recommended Howserv pay £425 compensation.

Neither party accepted our Investigator's recommendation and both want an Ombudsman's decision.

Howserv said its offer of £200 was fair. Mr C said:

- The recommendation of £425 compensation 'falls a long way below (his) expectations' and the advice he's received.
- He'd been advised to ask this Service if he had (and I quote) 'booked a ten day skiing or cycling holiday but NOT booked ski hire/lift pass/lessons/cycle hire and made the rational/safe decision to NOT ski/cycle for fear of having an uninsured incident, would a "reasonable man" agree that, even though I wasn't "financially impacted"...it would be appropriate to NOT ski/cycle given that the activities would increase the chances of an incident occurring without insurance cover for any incident'.
- In the above scenario it would be reasonable for the insurer to offer compensation to allow the skier/cyclist to pay for flights and accommodation to return to their chosen holiday location to complete their activities. So a reasonable man would agree Howserv should pay for him to return to S to complete the activities he missed as a result of its errors.

### **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.

Our Investigator correctly explained this Service's role which means I can't tell Howserv to change its systems as Mr C requested. I note Howserv told Mr C it would feedback to the relevant managers for training for its staff.

My role is to consider if a business has acted fairly and reasonably to a consumer, and if not what it should reasonably do to put things right.

Howserv has accepted it gave Mr C very poor service and I think it did. His policy was cancelled contrary to his clear instruction not to cancel. He had ten days of worry and inconvenience waiting for Howserv to confirm that his policy had been reinstated, which was

much too long to wait. Howserv wrongly told him he could extend his policy while on a trip which ultimately meant he wasn't able to extend his trip as he previously considered.

I need to decide if Howserv's offer of £200 compensation for Mr C's distress and inconvenience was fair and reasonable in all the circumstances.

I've read the webchats Mr C had with Howserv during the relevant period. His frustration and upset in finding out his policy had been cancelled is clear as is his growing frustration with Howserv's ten day delay in confirming he was covered despite Howserv telling him it was reviewing the matter urgently. It was a difficult and very upsetting time for him.

Mr C hasn't said he missed any activities he'd already paid for so he didn't have a financial loss as a result of Howserv's error in cancelling the policy. His point is he acted reasonably in staying in the hotel and not doing any activities because he didn't want to take any risks as he wasn't insured, so it's reasonable for Howserv to pay for him to return to S to do those activities.

I can't reasonably say Howserv has to pay compensation to cover the cost of Mr C and his wife returning to S to do the activities he'd wanted to do. When he found out the policy was cancelled he'd already been on the trip for nearly a month. It was his decision to limit his activities for the ten days of his trip when he was waiting for confirmation of reinstatement the policy.

Mr C asked me to consider a scenario that isn't about his circumstances so that's not relevant to this complaint. I've considered his circumstances and I note the medical conditions he declared on the policy. I've seen no medical evidence to support that he would have been at more risk doing his planned activities than if he was sitting in the hotel as he chose to do. Even if there was such evidence, if Mr C doing those activities involved an increased risk to the extent that he thought he might need to claim for medical treatment then Howserv could have reasonably expected him not to do those activities. Mr C needed to act as if he wasn't insured. That's a requirement of most, if not all, travel insurance policies and this policy says:

*'Reasonable care*

*You must take all reasonable care to protect yourself and your belongings, and generally act as if you were uninsured'.*

I accept Howserv's errors and poor service caused Mr C considerable distress, upset and worry and significant inconvenience which needed a lot of extra effort to sort out when he should have been enjoying those ten days of his trip. Howserv's offer of £200 isn't enough compensation to acknowledge the level of distress and inconvenience Mr C had due to its mistakes and poor service. I know Mr C will be disappointed by my decision but taking everything into account I'm satisfied a compensation award of £425 is a reasonable amount.

I understand Mr C didn't accept or receive Howserv's offer of £200 compensation so it must pay him £425 compensation for his distress and inconvenience caused by its errors and poor service.

Mr C has asked us to confirm that the following matters Howserv told him are correct but I'm not in a position to and I'll explain why.

Mr C says Howserv told him that if he had made a claim between 9 March and 14 April 2025 the insurer would have honoured that claim despite the policy cancellation. But the decision as to whether a claim is covered is for the insurer, not Howserv, although as Mr C's policy

was reinstated to cover that period I think it's likely the insurer would have assessed a claim in line with the policy terms.

Mr C says Howserv told him he doesn't have to answer 'Yes' if when he takes out future insurance he's asked whether he's had a policy cancelled. What Mr C should reasonably answer would depend on the exact question he's asked. He may want to speak to the relevant insurer to explain the situation if he is asked a question about policy cancellation in the future.

Mr C says Howserv told him it didn't need to contact the insurer to re-instate the policy. I haven't seen any evidence of what business arrangements Howserv has with insurer for reinstatement of a policy and I don't need that evidence to decide the complaint. I say this because whether or not Howserv did need to liaise with the insurer the ten days it took to reinstate the policy was too long in Mr C's situation and I've taken the delay into account in deciding the outcome of this complaint.

### **My final decision**

I uphold this complaint and require Howserv Limited trading as Avanti Travel Insurance to pay Mr C a total of £425 compensation for his distress and inconvenience caused by its errors and poor service.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 15 May 2026.

Nicola Sisk  
**Ombudsman**