

The complaint

Mr and Mrs B are unhappy that Aviva Insurance Limited declined a claim they made on their travel insurance policy.

What happened

Mr and Mrs B claimed on their travel insurance policy as they arrived at their destination a day later than planned. The first flight was delayed by an hour and a subsequent connecting flight was cancelled. They were put on an alternative flight around five or six hours later. On arrival, Mr and Mrs B had to then wait for a sea plane flight to their final destination. This meant they arrived more than 12 hours after their planned arrival time. They want Aviva to pay for a proportionate refund of their unused all-inclusive accommodation.

Aviva declined the claim as they said there was no cover under the policy terms and conditions as Mr and Mrs B didn't incur any additional costs. And there was no cover in these circumstances for unused expenses. Mr and Mrs B complained to the Financial Ombudsman Service. They also didn't think the evidence provided suggested that a payment could be made for delayed transport.

Our investigator looked into what happened and didn't uphold the complaint. In summary, she didn't think there was cover under the policy in the circumstances. And she also noted that the policy excess was likely to mean that Mr and Mrs B were unlikely to receive any settlement even if she accepted that there had been a delay of 12 hours.

Mr and Mrs B didn't agree. They referred to section B of the policy which referred to cancelling or coming home early due to pre-booked travel arrangements which were cancelled or delayed for more than 12 hours. They also queried whether coming home early would amount to abandonment of their trip. The further representations didn't change the investigator's thoughts about the overall outcome of the complaint. So, the case was passed to me to make 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.

The relevant rules and industry guidelines say that Aviva has a responsibility to handle claims promptly and fairly. And, they shouldn't reject a claim unreasonably.

The policy terms and conditions

The policy terms and conditions say there is cover under section B for:

Cancelling or coming home early

What we'll cover:

We'll pay the costs shown in this section if an insured person unavoidably has to

cancel their trip or come home early if one of these events happens...

Pre-booked travel arrangements on the insured person's outward journey from the UK are cancelled or delayed for more than 12 hours or diverted after departure.

There is also cover for unexpected expenses under Section D which says:

What we'll cover:

Travel disruption

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.

We'll also pay a proportionate refund for any non-recoverable unused pre-paid event tickets, green fees and excursion costs if the insured person arrives at their destination later than scheduled due to their travel plans being disrupted for one of the reasons listed above...

Missed transport

If the insured person misses their pre-booked transport because of an unexpected transport delay, such as the vehicle they're travelling in breaking down, or public transport being delayed or cancelled, we'll pay for alternative travel and accommodation costs to enable the insured person to reach their destination.

Delayed Transport

If an insured person's pre-booked transport is delayed and they decide to continue the trip we'll pay £50 for each full 12-hour period their transport is delayed.

We'll work out the length of the delay from the date and time of the scheduled departure.

Have Aviva fairly declined the claim?

I'm not upholding this complaint because:

- I don't think the claim should be paid under section B of the policy. Mr and Mrs B left the UK around an hour late. So, I don't think it's reasonable to conclude their outward journey from the UK was cancelled or delayed for more than 12 hours.
- Mr and Mrs B didn't incur any additional travel or accommodation costs. So, there's no cover available under the travel disruption section for unused accommodation. There is cover for a proportionate refund for any non-recoverable unused pre-paid event tickets, green fees and excursion costs. But I don't think it's fair and reasonable to conclude that extends to cover all-inclusive accommodation which included a range of sports and activities.
- The missed departure section also offers cover for alternative travel and

accommodation costs to enable Mr and Mrs B to reach their destination. That doesn't apply in the circumstances of this case because Mr and Mrs B didn't incur any additional costs.

- Mr and Mrs B arrived at their destination more than 12 hours after they'd planned to. But I think Aviva has fairly applied the policy terms as they refer to working out the delay from the date and time of the scheduled departure. In this case there was an initial delay of less than 12 hours, a cancelled flight and then Mr and Mrs B had to wait until daylight so they could take a sea plane. Therefore, I don't think it's unreasonable for Aviva to conclude that there's no benefit payable because the terms don't say they need to calculate the benefit based on the delay to arrival at the final destination.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mrs B to accept or reject my decision before 15 January 2024.

Anna Wilshaw
Ombudsman