

## **The complaint**

Mr and Mrs B are unhappy with how Aviva Insurance Limited (Aviva) has dealt with their travel insurance claim.

Any reference to Aviva includes all its agents.

## **What happened**

Mr and Mrs B have travel insurance cover alongside their bank current account. The underwriter on the policy is Aviva.

In October 2022, while abroad, Mr B unfortunately had a motorcycle accident. He was taken to hospital and was discharged within 24 hours. They continued with the trip although he was badly bruised.

Mr and Mrs B returned to the UK and contacted Aviva to make a claim. He was assured he had cover and Aviva asked Mr B to send copies of any relevant documentation. Mr B contacted the hospital and ambulance services to obtain information. He's unhappy with the service he's received as delays were caused, he was repeatedly being asked for documents and Aviva refused to talk to him about the claim. In the meantime, he was being chased by the hospital to pay the bills. Aviva confirmed to Mr B on 6 July 2023 that it had dealt with the unpaid bills.

Mr B made a complaint to Aviva as he received a further bill in November 2023. It issued a final response in December 2023. It apologised for the delays and that Mr B was receiving demands for the medical bills to be paid. It explained that it would liaise in getting the invoices paid. The issues were with the country where the accident happened, and Aviva had no access to its systems and wasn't directly involved. It assured Mr B that he had the cover, and it will action the bills once it'd received the paperwork from the country.

Mr and Mrs B brought their complaint to this service. Our investigator agreed that Aviva could have provided better service, there was a lack of clarity in explaining the reason for the delays and the communication could have been better. She recommended that Aviva pay Mr and Mrs B £300 for the distress and inconvenience caused to them.

Mr and Mrs B and Aviva didn't agree with the investigator's findings and asked for the complaint to be referred to an ombudsman. So, it's been passed to me.

Mr and Mrs B, in summary say the compensation doesn't take into account the amount of stress they experienced over such a long period of time and is low. They didn't receive the second bills until later and sent them onto Aviva on 17 November 2022 and further bills were sent on 4 January 2023, 27 January 2023, 10 May 2023, 10 June 2023 and so on, as they arrived. They say the £300 compensation recommended doesn't take into account the considerable distress, upset and disruption they suffered for over a year, and it took a lot of effort on their part to get this claim paid. Communication with the relevant parties abroad and with Aviva was very challenging and Mr and Mrs B say they have been treated appallingly.

Aviva says it disagrees because it didn't cause the delays. It requested relevant information as it's entitled to do as part of the claims process and without receiving all of this, it could not make a decision on the claim. It needed a full medical report as the discharge summary gave little information. Despite asking for this in November 2022, it didn't receive the full medical report and booking invoice until June 2023. It says it had all the information it needed in June 2023 and the claim was settled two weeks later. Aviva agrees it could have been clearer in explaining to Mr and Mrs B that until it received the full information, it wouldn't be in a position to settle the bills. Aviva still thinks £150 compensation is fair as it didn't cause the delays, but it could have provided greater clarity.

### **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 set out by the regulator (the Financial Conduct Authority) say insurers must handle claims promptly, provide reasonable guidance to help a policyholder make a claim and provide appropriate information on its progress, and settle claims promptly once settlement terms are agreed. I've taken these rules into account when making my decision about Mr and Mrs B's complaint.

I've noted that the claim for the hospital bills and any related invoices have now all been settled by Aviva. There's no dispute in this regard.

The key issue for me to decide therefore is whether the £300 compensation, recommended by our investigator, for the distress and inconvenience caused to Mr and Mrs B, is fair and reasonable in the circumstances of this complaint.

I appreciate that both parties disagree with the compensation amount recommended. I've therefore reviewed what happened. Having done so, I agree that £300 is fair compensation in the circumstances of the complaint. I'll explain why.

Based on the information available, it's clear that Aviva didn't provide clarity in explaining the reason for the delay. And until it received all of the information relevant to the claim, it couldn't settle it. I can see it was waiting for a full medical report and booking invoices.

Mr B sent a lot of the relevant information at the end of May 2023. The invoices were paid in June 2023 by Aviva.

I can see that there is a lot of communication going back and forth from November 2022 to June 2023. But again, Aviva hasn't communicated clearly with Mr B to let him know the reason for the delay. It hadn't updated him or been proactive in reassuring Mr B.

He made a complaint and Aviva reassured him at this point and explained that the systems, in the country where he'd had the accident, were disjointed. It said any outstanding bills would be paid and if Mr B received anything further, it would action these too.

While I appreciate it took longer for Aviva to settle the claim and delays were caused, I agree that it wasn't in a position to pay the bills. It was waiting for information which I don't think is unreasonable. But at the same time, it didn't update Mr and Mrs B. Based on the information outstanding, Aviva would not have been able to settle the claim before June 2023.

The issue here is that there was a lack of clear communication between Aviva and Mr and Mrs B. I note that a further bill was received in November 2023 by Mr and Mrs B and by this time, they were feeling extremely stressed as they hadn't expected a further invoice

to be sent to them. They thought the claim had all been settled. But while they were stressed by this, this wasn't Aviva's fault as it wasn't aware of this additional bill until Mr and Mrs B informed it of this.

I think £300 compensation for the overall distress and inconvenience caused is fair and reasonable in the circumstances. Mr and Mrs B had to wait a year before knowing that the claim had been fully settled. They were being chased by the treatment providers and the communication from Aviva wasn't clear. It failed to provide clarity regarding what information it was waiting for, and it failed to update them.

In summary, I'm satisfied Aviva could have provided better communication and service. While Aviva thinks £150 is sufficient compensation and Mr and Mrs B think £300 is an insufficient amount, I agree overall with the investigator that £300 is a sufficient amount of compensation for what happened. It's not our role to punish the business. Awards of compensation are primarily to reflect the impact on the consumer. Having thought very carefully about what both parties have said, taking everything into account, I'm satisfied £300 is fair and reasonable.

### **Putting things right**

Aviva needs to put things right by:

- Paying Mr and Mrs B £300 compensation for the distress and inconvenience caused by its lack of clarity and poor communication.
- It must do this within 28 days of the date on which we tell it Mr and Mrs B accept my final decision. If it takes longer, Aviva must give Mr and Mrs B a meaningful update setting out the timeframe when it will make the payment.

### **My final decision**

For the reasons give above, I uphold Mr and Mrs B's complaint about Aviva Insurance Limited.

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 29 July 2024.

Nimisha Radia  
**Ombudsman**