

The complaint

Mr J complains that AXA Insurance UK Plc has unfairly declined his travel insurance claim.

What happened

Mr J has travel insurance through his bank account. This is underwritten by AXA.

In October 2021, Mr J booked flights to travel abroad to attend a funeral. Unfortunately, he realised at the UK airport that he had left his passport at home. He missed his flight as a result and had to buy a new ticket to travel later.

Upon his arrival at his destination abroad, Mr J realised he had lost his passport. He was advised to cancel the old passport. He contacted the British Embassy to arrange for an emergency travel document. His passport was found by the airline but as it had already been cancelled, he could no longer use it.

In order to return home, Mr J had to travel to the British consulate in another city to obtain an emergency travel document. His appointment was arranged for the day of his return flight home. However, he said that, due to a train delay, he missed his return flight and had to make new travel arrangements.

Mr J made a claim to AXA for the additional flight he had to purchase from the UK and also for the cost of the emergency travel documentation he incurred abroad, a replacement passport and the new flight following his missed departure due to the delayed train.

AXA declined the claim. It said the policy lists specific reasons for which it will cover a claim but having incorrect or delayed documents is not one of those reasons for which cover is provided. AXA also said policyholders are expected to ensure they have the correct documentation to travel and allow sufficient time for any necessary additional documents before you are due to depart.

Unhappy with this response, Mr J complained and brought the matter to this service. Our investigator looked into his complaint and said she didn't think there was cover for the flight Mr J purchased to travel from the UK when he left his passport at home by mistake. But she found that the policy did provide cover for additional expenses incurred if a flight is missed due to the failure of public transport. She said Mr J's claim for a new flight home following a delay on a train may fall under this section. And she also noted that the policy provided cover for costs incurred as a result of the loss of a passport. She found that AXA hadn't fully considered the claim for these aspects and she therefore recommended that, if Mr J could provide evidence to AXA to demonstrate the loss of passport and the delay of the train, AXA should reconsider these elements in line with the remaining terms of the policy.

Mr J responded to say that he didn't think it was fair that AXA should be able to now ask for information about this claim. AXA didn't respond to our investigator's opinion. As no agreement could be reached, the matter has been passed to me to decide.

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 insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules into account when deciding what I think is fair and reasonable in the circumstances of Mr J's complaint.

The policy terms and conditions

The policy includes cover for travel documents – section F. This section states the following:

We will pay You up to £750 (with a maximum of £300 for bank notes, currency notes, and coins) for the accidental loss of, theft of or damage to Personal Money and Travel Documents (including driving licence) ...

We will also pay up to £200 for reasonable additional travel and accommodation expenses incurred necessarily abroad to obtain a replacement of Your lost or stolen passport or visa.

The policy includes a definition of 'Personal Money and Travel Documents' which says:

means bank notes, currency notes and coins in current use, travellers and other cheques, postal or money orders, pre-paid coupons or vouchers, travel tickets, passport, event and entertainment tickets, money cards and credit/ Visa debit or pre-pay charge cards all held for private purposes.

The terms and conditions also include a section for missed departure – section I. This states it provides the following cover:

We will pay you up to £1,000 for reasonable additional accommodation (room only) and travel expenses necessarily incurred in reaching Your overseas destination or returning to the United Kingdom or Your Home Area if You fail to arrive at the international departure point (including for residents of Northern Ireland any departure point in the Republic of Ireland) in time to board the Public Transport on which You are booked to travel on for the initial international journey of the Trip as a result of:

- 1. the failure of other Public Transport or*
- 2. an accident to or breakdown of the vehicle in which You are travelling or*
- 3. strike, industrial action or adverse weather conditions.*

Was Mr J's claim declined fairly?

Mr J missed his initial outward flight as he said he left his passport at home. The missed departure section of the policy provides a list of reasons for which it will cover a missed departure – leaving your passport at home is not one of the reasons detailed as covered in the policy. I'm therefore satisfied that this part of Mr J's claim isn't covered by the policy terms and conditions.

However, I'm not persuaded AXA has fully considered the remainder of his claim – in particular the costs he incurred as a result of losing his passport abroad and the missed flight home.

The policy provides cover for the loss of a passport under section F. Mr J lost his passport abroad, when he realised he no longer had it when he reached his destination - so I'm persuaded this claim would fall under this section. The section also provides cover for some additional expenses incurred to obtain a replacement. AXA therefore needs to reconsider this part of his claim. I've seen that this section does have special conditions which need to be met and it may be that Mr J will need to provide further evidence to AXA support his claim.

And similarly, the missed departure section (section I) provides cover for additional expenses incurred if you miss your return flight as a result of the failure of public transport. Mr J said he missed his return flight as a result of train delays – from what I've seen his appointment at the consulate was at 11.30am and Mr J has told us this left plenty of time to catch his flight which he says was at 8pm that evening. So, it does appear that Mr J's claim could be covered by this section of this policy. But I don't have enough information to say for certain the claim is covered as I haven't seen evidence of the train delay, nor have I seen details of the additional costs incurred to travel back to the UK. I'm persuaded it is reasonable for AXA to request evidence for it to consider his claim further.

Taking everything into account, I'm persuaded that the claim for the additional flight from the UK has been declined correctly. However, AXA needs to reconsider the claims for costs incurred following the loss of passport abroad and the missed departure of the return flight. If, once AXA reaches a decision on these aspects of his claim Mr J remains unhappy with the outcome, he can make a new complaint.

Putting things right

AXA needs to reconsider the claims made by Mr J for the loss of passport and emergency travel documents following the loss of his passport abroad, along with costs relating to the missed departure on his return journey, in line with the remaining terms and conditions of the policy. If AXA requires further evidence to demonstrate that there is a valid claim under the policy as explained above, it can ask Mr J for this information.

My final decision

For the reasons mentioned above, I'm partially upholding this complaint.

I require AXA Insurance UK Plc to put things right as detailed.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 19 September 2022.

Jenny Giles
Ombudsman