

The complaint

Mr B complains that Union Reiseversicherung AG (hereafter “URV”) unfairly declined his travel insurance claim.

What happened

Mr B held a multi-trip travel insurance policy that was underwritten by URV and covered the period 3 March 2020 to 2 March 2021.

On 8 June 2020 Mr B booked a trip to a country I’ll call “F”. He travelled there by motorbike as planned on 20 June 2020 and was due to return on 28 June 2020. On Mr B’s second day in F he had a motorbike accident and required hospital treatment. Mr B made a claim for medical assistance through his travel insurance policy following that, but it was declined.

URV explained the Foreign Commonwealth and Development Office (FCDO) had advised against all but essential travel to F and said Mr B had travelled against that advice. URV also said it didn’t consider Mr B’s travel to be ‘essential’ and it’d only be able to provide non-financial support to help him explore his options.

Mr B complained. He provided a letter he’d sought from the FCDO which said the decision to travel fell to individual responsibility. And he said a precedent had been set because a claim he’d made on his motorbike insurance following the accident too had been paid.

URV maintained its position and Mr B brought his complaint to this service. But our investigator thought URV had declined Mr B’s claim in line with the relevant policy terms and agreed his travel hadn’t been essential either. So as Mr B still disagreed and no agreement was reached the complaint was 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.

Mr B has set out his position at length and I am of course sorry to hear of the lasting impact he says the accident will have on him. However, for the reasons I’ll now go on to explain I will not be upholding his complaint:

- URV has a responsibility to handle claims both promptly and fairly and to not reject them unreasonably. The terms and conditions of Mr B’s travel insurance policy detailed the basis on which his cover was provided, and page one of that document set out the policy’s criteria for purchase:

“This insurance will not be valid if, at the time you bought the policy, everyone named on the insurance schedule:

- ...
- ...

- Is not travelling to an area that is classified as ‘Advise against all travel or Advise against all but essential travel’ by the Foreign and Commonwealth Office at the time of your departure,”*
- Both parties have different opinions about the essential nature of Mr B’s travel but I’m not persuaded I need make a finding on this. It’s already been established that the FCDO had advised against all or all but essential travel to F when Mr B went there. And the terms of his policy had set out that it wouldn’t be valid if Mr B travelled to an area where such advice was in place. So, whether Mr B’s travel was essential or not isn’t the determining factor here. The act of him travelling to F at a time when the above FCDO advice was in place is – because that invoked the above term.
- Mr B has put forward a number of arguments to support his decision to travel. For example that by the time he travelled complete travel bans previously had been lifted, and the FCDO said the decision to travel fell to individual responsibility. While I appreciate everything Mr B has said in relation to this, the circumstances surrounding his travel do not circumvent the terms of his policy.
- I don’t agree that a precedent has been set by Mr B’s motorbike insurer. Motor and travel insurance are of course different products and one insurer’s decision to accept a claim doesn’t automatically mean another should. But irrespective of that, URV had made the underwriting decision to not cover any risks associated with policy holders travelling to areas against FCDO advice. That was something it was entitled to do, and it would not be fair or reasonable of me to direct it to pay Mr B’s claim simply because he’d made a successful claim on another policy.
- Mr B has implied that he may not have received a copy of the terms and conditions when he purchased his travel insurance. He recalls a policy certificate and schedule but says neither referenced travelling against FCDO advice. URV provided Mr B’s policy but did not sell it to him, so if Mr B remains concerned about the sale of his policy he’ll need to raise those concerns with the seller in the first instance. It would be inappropriate of this service to make any findings about the sale before then.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr B to accept or reject my decision before 2 March 2023.

Jade Alexander
Ombudsman