

## **The complaint**

Mr Y has complained that Barclays Bank UK PLC ("Barclays") mis-sold him and his late wife a Travel Pack on 15 November 2021.

Mr Y says that Barclays failed to make it clear to the late Mrs Y that the travel insurance included with the Travel Pack only provided cover up to the age of 79.

Mr Y says that had Barclays made them aware of this, they wouldn't have taken out the Pack and would've taken out travel insurance that did cover them for their trip.

## **What happened**

Mr Y's late wife - Mrs Y - attended a Barclays branch in November 2021 and mentioned that she was due to go on holiday with Mr Y in January 2022. The member of staff asked if she had travel insurance in place. She said that she didn't, so the member of staff asked if she'd be interested in taking out a Travel Pack on her joint account with Mr Y. The late Mrs Y agreed to do so and said that the member of staff completed the application for her, and the Travel Pack was added to their joint account.

Sadly, due to a bereavement in the family, Mr Y and the late Mrs Y had to postpone their trip and arranged to go on their trip in February 2022 instead. Unfortunately, due to Mr Y being taken ill, which resulted in him going to hospital, Mr Y and the late Mrs Y had to cancel their trip.

Mr Y and the late Mrs Y made a cancellation claim on the travel insurance provided by the Travel Pack. The insurer agreed to pay the late Mrs Y's share of the claim. But declined to pay Mr Y's share of the claim on the basis that he was over the age of 80 when the trip was due to commence - and so wasn't eligible for cover.

Mr Y and the late Mrs Y complained to Barclays that the age requirements of the policy had not been made clear to Mrs Y during the sale of the Pack. Because of this, they say that the Travel Pack had been mis-sold.

Barclays responded to the complaint and said it didn't think it had mis-sold the Pack. It said that the documentation provided at the time of sale made it clear that cover only applied up to the age of 79. Barclays also said that it sent a welcome pack to Mr Y and the late Mrs Y shortly after they took out the Travel Pack, and this again explained that they were not eligible for travel insurance cover from the age of 80.

After referring their complaint to our service, one of our adjudicators assessed the complaint and they concluded that Barclays had not mis-sold the Pack. The adjudicator said that she thought Barclays' offer to pay £75 as a gesture of good will was reasonable.

Mr Y disagreed with the adjudicator's assessment, so the matter was referred for an ombudsman's decision.

I issued a provisional decision on 22 August 2023, explaining why I was minded to uphold the complaint. I have included an extract of my provisional decision below and it forms a part of this decision.

### ***"What I've provisionally 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.*

*We've explained our approach to complaints about packaged accounts on our website, and I've used that to help me decide this complaint. And having considered everything, I'm currently minded to uphold this complaint. I have explained why that is below.*

*I have firstly considered whether the Pack was sold on an advised or non-advised basis.*

*Barclays says that it was sold on a non-advised basis and has provided documentation from the point of sale which indicates that no recommendation of the Pack was provided.*

*Furthermore, the testimony provided by Mr Y and the late Mrs Y does not indicate that Barclays assessed whether the Pack was suitable for their circumstances or had actually recommended the Pack to them. So overall, I think that the Pack was sold on a non-advised basis.*

*This means that Barclays was not required to check whether the insurance benefits were suitable for Mr and Mrs Y. But Barclays was still required to draw the important information about the Pack – such as the eligibility criteria and significant or unusual exclusions applicable to the insurance products – to their attention during the sale. This was so that the late Mrs Y was able to make an informed decision about whether the Pack would be suitable for her and Mr Y's needs.*

*The late Mrs Y said that at no point during the sale was it explained that there was an age limit on the Travel Pack travel insurance policy. Whereas Barclays says that Mrs Y was provided with information, both during the sale and after, that explained that there was an age limit.*

*Having reviewed all the available evidence, I currently think that Barclays failed to draw Mrs Y's attention to the fact that there was an age limit applicable to the travel insurance, and that this ultimately led to Mr Y and the late Mrs Y incurring an uninsured loss.*

*I say this because firstly, the late Mrs Y's testimony was consistent from the outset that there was no mention of the age limit when the Pack was sold to her. And she was taking the pack out to specifically cover both her and Mr Y for a trip they were due to go on in a couple of months time – and only days after Mr Y had turned 80. So I find it plausible that, had Barclays highlighted the fact that there was an age limit on the travel insurance - which meant Mr Y would not be eligible for cover by the time they were due to travel - I don't think it's likely Mrs Y would've proceeded with the sale of the Pack.*

*In addition to Mrs Y's testimony, I have also considered what documentation Mrs Y was likely given during the sale. Barclays has provided evidence to show that a 'statement of demands and eligibility' letter and a welcome letter were printed locally i.e. in branch. So I think it's likely that Mrs Y was provided with these documents during the sale.*

*Looking at the statement of demands and eligibility letter, although this confirmed that Mrs Y was eligible for the travel insurance – it unfortunately didn't actually mention that there was an upper age limit applicable to the travel insurance, or indeed what the age limit was.*

*Instead, the letter simply said that Mrs Y was eligible for cover. The only mention of Mr Y in the document was an indirect one, where it said that Mrs Y's 'nominated partner' would be covered as he lived at the same address as Mrs Y. There was a*

section on the letter called 'restrictions on travel insurance', which listed off a number of limitations that applied to the travel cover. For example, it explained that it only provided cover for UK residents. But again, this made no mention that there was an age limit on the travel policy, or indeed what the age limit was.

I appreciate that the demands and eligibility letter can't reasonably have included all of the restrictions that might apply to the travel policy. But given that anyone over the age limit is no longer eligible for the travel insurance in its entirety, I would've expected that to have been included in the letter.

In terms of the welcome letter, this again made no mention of the age limit applicable to the travel insurance.

From what Barclays has provided, it does appear that an Insurance Product Information Document ("IPID") was printed off and may've been provided to Mrs Y during the sale.

However, given that I don't think the age limit had been mentioned during the sale, and the 'demands and eligibility' letter had simply confirmed that Mrs Y was eligible for cover, I can understand why Mr and the late Mrs Y did not notice the age limit that was mentioned in the IPID document, or indeed thought to check to see if there was an age limit on the travel cover.

According to Barclays' records, a welcome pack was posted out to Mrs Y after the sale of the Pack. But again, as I don't think it had been highlighted during the sale to Mrs Y that there was an age limit on the travel policy, I don't think it's reasonable to have expected Mr and Mrs Y to check through the policy to see if there was one. The late Mrs Y has also said that she never received this, so it's possible that she never got to see this document in any event.

Barclays did send a reminder to the late Mrs Y in September 2022, to point out that she too was also due to become ineligible for cover from when she turns 80. However, as this was sent well after the trip that Mr Y and the late Mrs Y had to cancel, this was of course too late to have made them aware that Mr Y had not been eligible for travel cover since about two months after the Pack had been sold to them. And there is no evidence to suggest that Barclays sent out a similar letter to Mr Y between when the Pack started and when he turned 80.

So taking all of the above into account, I don't think Barclays did enough to highlight the age limit that applied to the travel insurance included within the Travel Pack.

### **Putting matters right**

Had things gone as they should've and Barclays had drawn Mrs Y's attention to the fact there was an age limit on the travel insurance, I don't think it's likely that Mrs Y would've agreed to add the Travel Pack to her joint account.

Instead, I think it's likely that Mr and Mrs Y would've taken out travel insurance cover elsewhere that did cover both of them for their trip.

As I've seen no other reason why Mr Y's share of the claim would've been declined, I currently think that Barclays should pay Mr Y compensation equivalent to the amount of his share of the travel insurance claim (after any applicable excess has been deducted).

Barclays should also pay interest on the amount owed at 8% per year simple, calculated from the date Mrs Y's share of the claim was paid out, to the date of payment, less any deductible tax."

After I issued my provisional decision, Mr Y's representative responded and thanked us for the provisional decision and confirmed that Mr Y is happy for our service to share information about the insurance claim with Barclays, if necessary.

Barclays responded to the provisional decision and said that it was prepared to accept the outcome reached in the provisional decision. Barclays confirmed that £1,296.65 had been paid into Mr Y and the late Mrs Y's joint account to settle the late Mrs Y's share of the travel insurance claim. Barclays asked Mr Y to confirm that this is the correct amount that he should be paid and agreed to also pay 8% simple interest, less tax, on that amount calculated from 8 April 2022 to the date of settlement.

Barclays also agreed to pay the £75 gesture of goodwill it had originally agreed to pay.

### **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.

Having reconsidered everything, as both parties have agreed to the proposed resolution of this complaint, I see no reason why I should reach a different outcome to the one I reached in my provisional decision.

So in summary, I think that Mr Y's Travel Pack, that he'd held jointly with his late wife, had been mis-sold.

Had it been made clear during the sale that Mr Y was due to become ineligible for travel insurance cover shortly after Mrs Y had agreed to take out the Pack, I don't think that Mrs Y would've agreed to it. Had things gone as they should've I think it's likely that Mr Y and the late Mrs Y would've instead taken out travel cover elsewhere that covered both of them for the trip they were due to go on.

As such I think Barclays failure to sufficiently highlight the Travel Pack age eligibility criteria during the sale of the Pack led to Mr Y incurring an uninsured loss.

### **Putting things right**

I've seen no other reason why Mr Y's share of the claim would've been declined. So Barclays should pay Mr Y compensation equivalent to the amount of his share of the travel insurance claim (after any applicable excess has been deducted).

Barclays has confirmed that this amounts to £1,296.65, and Mr Y has agreed that this is the correct amount.

Barclays should also pay simple interest on the above amount, at 8% per year, calculated from the date Mrs Y's share of the claim was paid out, to the date of payment, less any deductible tax.

Barclays should also pay Mr Y the £75 gesture of goodwill it had previously offered.

### **My final decision**

Because of the reasons given above and in my provisional decision, I uphold this complaint and require Barclays Bank UK PLC to do what I have outlined above, to put matters right in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 6 October 2023.

Thomas White  
**Ombudsman**