

The complaint

Ms W complains that Admiral Insurance (Gibraltar) Limited hasn't paid a claim she made on a travel insurance policy.

What happened

In June 2023, Ms W took out a single trip travel insurance policy online, which was underwritten by Admiral. The policy was taken out to cover a trip to a country I'll call D. Ms W chose a trip start of 30 June 2023 and a trip end date of 7 July 2023. This meant cover under the policy ended on 7 July 2023.

Ms W's return flight departed D on 7 July 2023 and arrived back in the UK on 8 July 2023. Ms W says that during her flight, her bag was stolen from under her seat. So following her return, she logged a claim online with the local UK Police force. The report stated that the theft had happened on 8 July 2023 and listed the items Ms W had said were stolen. Ms W made a claim on the policy for the stolen items.

Admiral looked into Ms W's claim and it asked for further information. Ultimately, it didn't think Ms W had shown she had a valid claim on the policy. In brief, it didn't think the items Ms W had claimed for could have fit in her bag. It noted Ms W was claiming for two perfumes which hadn't been listed on either the airline's Property Irregularity report (PIR) or the report Ms W had made to the Police. It noted Ms W had claimed for more money than she could show she'd withdrawn and it also questioned why Ms W was claiming for sterling when her bank statement showed she'd withdrawn cash in the local currency. Finally, it had concerns that the loss had happened on 8 July 2023 – after the policy cover had already ended. So it turned down Ms W's claim.

However, Admiral did acknowledge that it hadn't handled Ms W's claim as well as it should have done and therefore, it paid her £55 compensation.

Ms W was unhappy with Admiral's position and so she asked us to look into her complaint.

Our investigator didn't think Ms W's complaint should be upheld. Based on the available evidence, she didn't think it had been unfair for Admiral to turn down the claim. And she felt the compensation Admiral had already paid Ms W was fair in the circumstances.

Ms W disagreed. In brief, she thought the items she'd claimed for should have been on the Police report and that the hotel she'd withdrawn the money from abroad allowed conversion of the local currency into sterling.

The complaint's 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.

Having done so, whilst I'm very sorry to disappoint Ms W, I don't think it was unfair for

Admiral to turn down her claim and I'll explain why.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. I've taken these rules into account, amongst other relevant considerations, when deciding whether I think Admiral has treated Ms W fairly.

I've first considered the policy terms and conditions, as these form the basis of the contract between Ms W and Admiral. Ms W made a claim for stolen belongings, so I think it was reasonable and appropriate for Admiral to consider the claim under the 'Personal Belongings' section of the policy. This includes a section called 'Making your Claim', which I've set out below:

'If you're claiming for lost, stolen or accidentally damaged personal belongings, you must:

- *report any loss or theft to the police or your transport operator within 24 hours of discovering it and get a written police report. **All items being claimed for must be listed on the police report.** (If you cannot provide a written police report within 24 hours or at all, you must provide a reasonable explanation as to why this was not done as well as other proof of the incident having occurred. If satisfactory evidence is not provided, the claim will be denied.)*
- *get a Property Irregularity Report from your airline provider or a loss or damage report from any other transport operator if the loss or theft happened while the items were in their care. **All items being claimed for must be listed on the Property Irregularity report.** (My emphasis added).*
- ...
- *provide any other documents or evidence of loss or damage, that we reasonably ask for to support your claim.'*

In my view, the policy terms are clearly drafted. And in my experience, all travel insurance policies require policyholders to provide proof of claim. It's a general principle of insurance that it's a policyholder's responsibility to show that they have a valid claim on a policy and that a loss happened in the way they said. That means it was for Ms W to provide Admiral with enough evidence to show she'd suffered a covered loss under the policy and to substantiate her claim for the items she said were stolen.

It's clear that Ms W did provide Admiral with both a PIR and that she reported the loss of her items to the Police. However, it didn't think she'd provided enough evidence to show she had a valid claim on the policy. So I've looked at the available evidence to decide whether I think this was a fair conclusion for Admiral to draw.

Admiral had concerns about the dimensions of Ms W's bag and whether she could have fitted all of the items she'd claimed for within it. But I don't think I need to make a particular finding on that point because I think Admiral had other reasonable concerns, which I'll go on to explore.

I've looked closely at the both the PIR and the Police report. The list of items on these reports largely tally with what Ms W went on to claim from Admiral. But I note that neither of the two 100ml bottles of perfume Ms W claimed for were listed on either the PIR or the Police report. As I've set out above, the policy terms say that all items being claimed for must be listed on the Police report. So I don't think it was unfair for Admiral to conclude that Ms W hadn't shown this part of her loss was covered.

Next, Admiral had concerns about the cash Ms W had claimed for. She told Admiral the bag had contained around £500 sterling. However, the bank statement Ms W provided to Admiral showed cash withdrawals in D's currency – and those withdrawals totalled over £100 less than Ms W had claimed. I appreciate Ms W says that the hotel acted as a currency exchange point – and having looked at the hotel's website, it does appear there is a currency exchange there. But based on the available evidence, I don't think it was unfair for Admiral to find that Ms W hadn't shown this part of her loss was covered – given the discrepancy in the value of the cash she'd claimed for and the lack of any receipt showing the exchange from D's currency to sterling. It is open to Ms W to send Admiral any information she may have, such as a currency exchange receipt, to further support this part of her claim, should she wish to do so.

Cover under Ms W's policy ended on 7 July 2023 – the day she boarded her return flight to the UK. So in order for the claim to be covered at all, the loss needed to have taken place by 23.59 on 7 July 2023. I note Ms W told Admiral that the theft happened on this date. However, on the Police report Ms W completed, she stated that the theft had happened on 8 July 2023. And the report said:

'I reported the crime of a theft which had taken place on 08/07/2023.'

If the loss did take place on 8 July 2023, as Ms W suggested to the Police, then cover under the policy had already ended. And based on the information Ms W gave to the Police, I don't think it was unreasonable for Admiral to conclude that Ms W hadn't shown the loss happened while the policy was still in force.

Taking all of these concerns together, I don't think Admiral acted unreasonably when it concluded that Ms W hadn't shown she had a valid claim on her policy. And therefore, while I sympathise with Ms W's position, based on the evidence available to me, I don't think it was unfair for Admiral to turn down this claim. As I've set out above though, it is open to Ms W to provide Admiral with further evidence in support of her claim she should wish to do so. And I'd expect Admiral to assess any new evidence in line with its regulatory obligations.

Notwithstanding the above, Admiral accepts it didn't handle Ms W's claim as well as it could have done and didn't contact her when it said it would. So it's paid her £55 compensation. In my view, this is a fair, reasonable and proportionate award to reflect what I consider to be the likely impact of these errors on Ms W. So I'm not telling Admiral to pay anything more.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 25 June 2024.

Lisa Barham
Ombudsman