

The complaint

Mr and Mrs B have complained that Admiral Insurance (Gibraltar) Limited declined a claim he made on his annual travel insurance policy.

What happened

Mr and Mrs B were on holiday abroad with a planned return date of 27 November 2023. However, in the early hours of that morning Mr B became unwell with suspected food poisoning. Due to his symptoms, he was unable to leave the hotel room. They therefore made the decision to book another night at the hotel and to fly home a day later than planned.

Upon making a claim for the extra night's accommodation, flight and parking costs incurred, Admiral declined it on the basis that the circumstances are not covered under the policy terms.

Our investigator thought that Admiral had acted unfairly in declining the claim. Admiral disagrees and so the complaint has been passed to me for a decision.

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.

I've carefully considered the obligations placed on Admiral by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for Admiral to handle claims promptly and fairly, and to not unreasonably decline a claim.

On 31 July 2023, the Consumer Duty was introduced by the Financial Conduct Authority. It set higher and clearer standards of consumer protection and says that a firm must act to deliver good outcomes for retail clients.

So, I've considered, amongst other things, the terms of the policy and the circumstances of the claim to decide whether Admiral handled the claim fairly and in line with the industry guidelines.

Admiral declined the claim on the basis that there was a lack of medical evidence to validate it.

Looking at the policy terms, under 'Section 1: Emergency medical and repatriation', it states:

'What is covered.

Travel and accommodation expenses for UK trips and abroad

Further travel and accommodation expenses when approved in advance by our emergency assistance service:

- *To get you home following emergency medical treatment if you cannot use your return ticket*
- *To cover additional costs for accommodation of a similar standard to the one booked for your trip if it is medically necessary for you to remain on your trip after the date you were due to return home*
- *To cover the cost of reasonable extended parking charges and kennel or cattery fees if you have to remain on your trip as a result of your illness or injury'*

Mr and Mrs B did not have the advance approval of Admiral's emergency assistance service and neither did Mr B have a medical report stating he was unfit to fly. Thereby, on a strict interpretation of the policy wording, the claim may not be covered. However, I can depart from a strict application of the contract terms if I conclude they produce an unfair result. In this case, Mr B started to become unwell at around 3am on 27 November 2023, with persistent vomiting and diarrhoea. He was due to check out of the hotel later that morning to catch a flight back to the UK.

Although Mr and Mrs B didn't have pre-approval from Admiral to change their plans, they have provided evidence that Mrs B called the numbers listed in the policy a few times on that date. However, she was unable to get through to anybody.

Admiral has said there shouldn't have been an issue in getting through. But, based on the available evidence, I'm satisfied it is more likely than not that Mrs B was unable to speak to an adviser.

As Mrs B was unable to speak to the emergency assistance line, she was unable to gain any advice about what to do during the critical time when they had to make a decision. Given Mr B's situation – which was basically that he was unable to leave the bathroom – and the looming deadline of having to check out of the hotel, they decided the best thing to do would be to delay their departure by a day. They have provided corroborating information from the hotel about the need to extend their stay.

Normally we would consider it reasonable for an insurer to require medical evidence in support of a claim. But in this case I can appreciate why Mr B didn't seek medical attention. The symptoms were familiar as likely being food poisoning, so they would likely abate given time. In the circumstances, I consider it reasonable that he didn't call a doctor. And he couldn't have left the hotel room to attend a clinic.

Overall, in the particular circumstances of this case, I don't think it was fair and reasonable for Admiral to decline the claim. It follows that I uphold the complaint.

Putting things right

Admiral should:

- Settle the claim in line with the remaining terms of the policy, accepting that Mr B was medically unfit to fly.
- Add 8% simple interest onto the claim amount from the time the claim was made until the date it is settled.

- Pay £100 compensation for distress and inconvenience in having to make the complaint.

My final decision

For the reasons mentioned, I uphold the complaint and require Admiral Insurance (Gibraltar) Limited to put things right as set out above.

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 4 October 2024.

Carole Clark
Ombudsman