

The complaint

Mr C has complained that Cowen Insurance Company Limited declined a claim he made on a travel insurance policy.

What happened

Mr C was on holiday abroad in September 2023 where unfortunately he had his wallet and other items stolen from his bag during a bus journey.

Cowen declined the claim on the basis that Mr C hadn't provided a police report to prove his loss, as required under the policy terms.

I wrote a provisional decision last month in which I explained why I wasn't thinking of upholding the complaint. Mr C provided some additional comments in response, that I will address below.

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 Cowen by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for Cowen to handle claims promptly and fairly, and to not unreasonably decline a claim.

As explained in my provisional decision, Mr C had been visiting a town to the south of the area where he was staying. The return journey involved changing buses at approximately the half-way point. It was upon boarding the second bus that he realised he'd been the victim of theft.

Looking at the policy terms, they state:

'You (or any other ticket holders) are not covered...

1. If you cannot provide a police report in case the item has been stolen.'

So, it's clear that, from a strict interpretation of the policy terms, Mr C's claim is not covered as he can't provide a police report for the incident.

It's not unusual for a policy to require a police report to be obtained to establish a claim for theft. Generally, we think it's fair for an insurer to require reasonable evidence that a loss has occurred before it agrees to pay a claim. However, there may be circumstances where gaining a police report isn't practicable, in which case we'd expect an insurer to consider alternative supporting evidence.

When registering the claim, Mr C provided evidence that he'd made an online declaration to the police and that he had reported the theft to his travel agent. But he had not attended a police station to obtain an official police report of the incident.

In response to my provisional decision, Mr C has reiterated some points that he had previously made.

He said that the hotel rep told him that reporting the incident in person to the police would likely be unproductive as they would be indifferent to it as a minor crime and there was also a likelihood that the local police wouldn't speak English. So, he opted to do a report online instead.

As mentioned in my provisional decision, being advised that the police wouldn't take it seriously is not a sufficient reason for not trying to obtain a report – they could still have provided a report of the loss in that situation, even if they were not going to investigate it. The nearest police station is a tourist police station, so it seems likely that they would have spoken English, or Mr C could at least have tried to find out if that was the case.

He's talked about it being burdensome to take an expensive taxi ride or a long bus journey to the police station. But again, as I mentioned in my provisional decision, being the victim of a crime and then wanting to make a claim for the loss, will inevitably come with some inconvenience. I understand he would have been distressed following the theft, but overall, I'm not persuaded by Mr C's argument that attending the police station was not a feasible option.

I'm also not persuaded that it was unsafe to visit the police station. The area is a major tourist region, and one that Mr C clearly considered to be safe enough for him to choose as a holiday destination. Whilst I have no doubt that the experience of being pickpocketed would have been very unsettling, I consider that he could still have visited the police station.

I remain sympathetic to Mr C's situation. He was the victim of theft and is out of pocket as a result. However, I consider that it was reasonable for Cowen to require a police report to verify the loss, in line with the policy terms and conditions. It follows that I do not uphold the complaint.

My final decision

For the reasons set out above, my final decision is that I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 28 October 2024.

Carole Clark
Ombudsman