

## **The complaint**

Miss C complains that Admiral Insurance (Gibraltar) Limited declined her claim against her travel insurance policy. She also complains about how it handled her claim. Reference to Admiral includes its agents.

## **What happened**

In November 2023, Miss C renewed an annual travel insurance policy underwritten by Admiral. On 21 December 2023, Miss C booked flights for a return trip to a country I'll refer to as E, with departure and return dates of 18 February 2024 and 4 March 2024 respectively. When Miss C booked her trip, the Foreign Commonwealth and Development Office (FCDO) advised against all but essential travel to areas within 20km of the northern border of E.

In January 2024, the FCDO updated its travel advice in relation to E. It added western, coastal provinces of E and inland towns in the south, including a town I'll refer to as Z, to the areas where it advised against all but essential travel. Miss C contacted Admiral for advice. It told her to wait until shortly before her intended departure date to see what the FCDO advice was then. The FCDO advice remained the same. Miss C cancelled her trip and made a claim against her policy in relation to her unused flight costs.

Admiral asked Miss C to provide details of her intended itinerary, which she did. Admiral subsequently declined Miss C's claim. It said Miss C hadn't shown she intended to travel to the areas where the FCDO advised against all but essential travel. Miss C didn't think that was fair and pursued her complaint.

Essentially, Miss C says Admiral acted unfairly and unreasonably in declining her claim. She says Admiral assured her that as her itinerary included areas where the FCDO had advised against all but essential travel, it would reimburse her flight costs on production of her itinerary. Miss C also complains about how Admiral dealt with her claim in that it repeated requests for supporting documentation, delayed her claim and closed her claim prematurely. Miss C wants Admiral to settle her claim for unused flight costs.

One of our Investigators looked at what had happened. The Investigator didn't recommend Miss C's complaint be upheld. She said Admiral declined the claim because Miss C couldn't provide evidence she planned to travel to the areas where the FCDO had advised against all but essential travel. Miss C didn't agree with the Investigator and asked that an Ombudsman consider her complaint, so it was passed to me to decide.

In this decision I'm dealing with the issues Miss C raised with Admiral which led to its final response in July 2024. I understand Miss C is also unhappy Admiral cancelled her policy without a refund of premium. As the Investigator has explained, Miss C should complain to Admiral about that in the first instance, if she hasn't already done so. If she is not content with Admiral's response she may refer her complaint to this service.

## **My provisional decision**

On 14 March 2025, I sent both parties my provisional decision in this case. I indicated I intended to uphold the complaint and said:

*'The phone call between Miss C and Admiral*

*I've listened to the recording of a phone call on 11 January 2024 between Miss C and Admiral. Miss C said she was due to travel to areas where the FCDO advice was against all but essential travel. Some of the information Admiral gave in the call was confusing and muddled. In its final response to Miss C, Admiral upheld the part of Miss C's complaint about the phone call but didn't agree it explicitly confirmed her claim for cancellation would be covered. I agree with Admiral about that. Admiral gave Miss C correct information in that it told her it couldn't guarantee it would cover flight costs, suggested she check the FCDO advice shortly before travel and asked her to send in her itinerary.*

*Admiral's decision to decline Miss C's claim*

*Insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. The onus is on the consumer to show the claim falls under one of the agreed areas of cover within the policy.*

*The starting point is the terms and conditions of the policy, which provide cover for certain irrecoverable costs, including unused travel costs, where a trip is cancelled because of insured events, one of which is as follows:*

### **'FCDO Advice:**

**You** cannot travel to **your** intended destination due to the Foreign, Commonwealth & Development Office (FCDO) advice for **your** destination/location changing to as a minimum 'all but essential travel' after the purchase of **your** policy or after the booking of any individual **trip**, whichever is later. [...]

*Miss C provided Admiral with her intended itinerary. Admiral says Miss C can't provide evidence that she'd booked to go to or travel in the areas where the FCDO advised against all but essential travel. Where there's a dispute about the facts of a case – as there is here - I come to a decision based on what I think is most likely to have happened, based on the available evidence and the surrounding circumstances.*

*What Miss C says about her intended itinerary is evidence. On balance, I accept what Miss C says about her intended itinerary – she intended to travel to Z in the south of E and later to the west coast of E, which are areas where the FCDO advised against all but essential travel at the time of Miss C's planned departure. Miss C hadn't booked accommodation and she's explained that was because she was joining a friend who was already travelling in E. I accept what Miss C says about this. I don't think it's particularly unusual for certain types of travellers to plan an itinerary and book travel, accommodation, excursions and activities as they go along.*

*The FCDO advice against all but essential travel covered the areas in which Miss C intended to travel from day one of her trip. So, Miss C couldn't travel to her intended destination due to FCDO advice. Her claim is therefore covered by the policy. In order to put things right, Admiral should settle Miss C's claim. As she's been kept out of the use of that money, Admiral should also pay interest on the settlement.*

### *Admiral's handling of Miss C's claim*

*Admiral upheld the parts of Miss C's complaint about the information it gave to her about the claim and its error in closing her claim prematurely. I think Admiral's handling of Miss C's claim was protracted. Whilst Admiral is entitled to ask Miss C for information and documentation to support her claim, it asked for that in a piecemeal way which was no doubt frustrating for Miss C. And Admiral took longer than we'd expect to come to its decision about Miss C's claim.*

*Admiral has already paid Miss C compensation of £175 in relation to its handling of her claim. I've considered the nature, extent and duration of Miss C's distress and inconvenience caused by Admiral's errors in its handling of her claim. I think the compensation Admiral has already paid is fair and reasonable in this case.'*

### **Responses to my provisional decision**

Miss C says if she had booked accommodation after she'd spoken with Admiral about the change in the FCDO advice, it wouldn't have covered her claim. She says the change in the FCDO advice meant she couldn't travel to E unless she travelled to completely different areas than she'd planned.

Admiral didn't agree with the provisional decision. It said accepting an insured's word isn't in line with the principle of validating/proving a claim. Admiral asked whether it would be expected to pay claims for stolen items or medical costs without any proof. It doesn't think it should have to pay a claim where no validation has been provided at all.

Admiral said it gave Miss C an opportunity to provide proof of her travel to areas of E affected by the FCDO advice, such as messages between her and her friend, but Miss C didn't provide that information. Admiral said Miss C's flight was to an area not affected by the FCDO advice, so she could have revised her itinerary without additional cost.

### **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 taken into account the law, regulation and good practice. Above all, I've considered what's fair and reasonable. The relevant rules and industry guidance say Admiral should deal with claims promptly and fairly and must act to deliver good outcomes for retail customers.

I've looked again at the circumstances of this complaint. In the particular circumstances here, I think it's fair and reasonable to take into account what Miss C says about her intended itinerary. That's because it's not unusual for some travellers, like Miss C, to book a flight and subsequently book travel, accommodation, excursions and activities as they go along. In addition, Miss C contacted Admiral soon after the FCDO advice changed, which supports her contention that she planned to travel to the areas affected by the changed FCDO advice. Miss C's claim is for her unused travel costs. She can provide evidence in relation to that loss.

Admiral asked whether it would be expected to pay claims for stolen items or medical costs without any proof. I don't think it's relevant to deal with hypothetical claims, but I will say that in this case there is evidence about Miss C's itinerary – which is what she says about it – and she can show her loss - the unused travel costs. I think it would be unusual in claims for theft or emergency medical assistance for there to be no evidence about ownership or theft or no medical evidence, but that's not relevant here.

Admiral said it gave Miss C an opportunity to provide proof of her travel to areas of E affected by the FCDO advice, such as messages between her and her friend. Miss C didn't have such evidence. I don't find that unusual or concerning.

Admiral says Miss C could have revised her itinerary without additional cost. An annual travel insurance policy covers trips planned by the policyholder in the policy year. There's no obligation on Miss C to revise her itinerary in order to avoid making a claim for her unused travel costs.

Based on what I've seen and heard, I'm satisfied Miss C intended to travel to areas affected by FCDO advice. Miss C couldn't travel to her intended destination due to FCDO advice. Her claim is therefore covered by the policy. For the reasons I've explained, I remain of the view that Admiral didn't act in accordance with the policy terms in declining Miss C's claim.

Neither Miss C nor Admiral has provided any fresh information or evidence in response to the parts of my provisional decision relating to the phone call between Miss C and Admiral or Admiral's handling of Miss C's claim. I therefore find no basis on which to depart from my earlier conclusions about those parts of Miss C's complaint.

In order to put things right, Admiral should settle Miss C's claim. It should also pay interest on the settlement. In my provisional decision I said interest should be calculated from the date of the claim but the award I'm now making recognises that Admiral would require a reasonable period to consider Miss C's claim. So, interest is payable from one month after the date of the claim, to the date of payment.

### **Putting things right**

In order to put things right I direct Admiral to:

- settle Miss C's claim;
- pay interest on the amount of the settlement at the simple rate of 8% per year, from one month after the date of the claim, to the date of payment.

HM Revenue & Customs requires Admiral to take off tax from this interest. Admiral must give Miss C a certificate showing how much tax it's taken off, if she asks for one.

**My final decision**

My final decision is that I uphold this complaint and direct Admiral Insurance (Gibraltar) Limited to take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 29 April 2025.

Louise Povey  
**Ombudsman**