

The complaint

Mr, Mrs and Miss P complain that Admiral Insurance (Gibraltar) Limited has turned down a cancellation claim they made on a travel insurance policy.

As Mrs P brought the complaint to us, for ease of reading, I've referred mainly to her.

What happened

Mr, Mrs and Miss P booked a holiday abroad on 20 July 2024. On 7 August 2024, they took out a single trip travel insurance policy to cover their holiday. Unfortunately, they had to cancel their trip in early September 2024, due to a sudden deterioration in Mrs P's father's health. So Mrs P made a cancellation claim on the policy. Sadly, Mrs P's father passed away a few days later.

Admiral obtained medical evidence from Mrs P's father's GP to allow it to assess the claim. It noted that the medical certificate stated Mrs P had cancelled her trip due to her father having metastatic cancer, which had been diagnosed in March 2024. The certificate said that trip cancellation had been deemed necessary on 26 July 2024.

On that basis, Admiral turned down Mrs P's claim. That's because the policy specifically excluded claims for cancellation due to the pre-existing medical conditions of close relatives. As Mrs P's father had been diagnosed with metastatic cancer before the holiday had been booked and the policy had been purchased, Admiral concluded that the claim wasn't covered by the contract terms.

Mrs P was very unhappy with Admiral's decision and she asked us to look into her complaint. In brief, she said that while her father had been diagnosed with cancer in 2018, it had been well-controlled with treatment. And she said that neither she nor her father had been aware of the deterioration of his illness.

Our investigator didn't think Mrs P's complaint should be upheld. She felt it had been fair for Admiral to rely on the medical evidence to conclude that Mrs P's claim was excluded by the policy terms.

Mrs P disagreed and so 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 Mrs P, Mr P and Miss P, I don't think it was unfair for Admiral to turn down their claim and I'll explain why.

First, I'd like to offer my sincere condolences to Mrs P and her family for the sad loss of Mrs P's father. It's clear that this has been a very difficult and sad time for them.

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 those rules into account, amongst other relevant considerations, such as regulatory principles, the policy terms and the available medical evidence, to decide whether I think Admiral treated Mrs P fairly.

I've first considered the policy terms and conditions, as these form the basis of the contract between Mrs P and Admiral. The policy does provide cancellation cover if a trip has to be cancelled due to the illness or death of a close relative. However, Admiral has also chosen to set out a list of risks it's chosen not to insure.

The cancellation section over the policy says:

'What is not covered

We will not cover any claim related to a pre-existing condition that:

- *any third party whose health may affect your decision to start or continue your trip (such as a close relative, travel companion, close business associate or person you arranged to stay with) had at any time before you took out or renewed your policy or booked a trip, whichever is later.'*

And the 'General Exclusions' section of the contract includes the following term:

'We will not pay any claim which arises from or is directly or indirectly related to any of the following::

Any pre-existing condition that...

*...a third party (such as a close relative, travel companion, close business associate or person you arranged to stay with) had at any time before you took out or renewed your policy or booked a trip (whichever is later), **regardless of whether you knew about the condition or not.**'* (My emphasis added).

A pre-existing condition is defined as: *'Any medical condition that you, an insured person, or any person your trip depends on had at any time before you took out or renewed your policy, or you booked your trip, whichever is later.'*

Admiral has also provided us with a copy of the Insurance Product Information Document (IPID), which sets out an at-a-glance summary of the main features, benefits and exclusions of the policy. Page one of the IPID sets out a table of 'What is not insured'. This table includes the following:

'Pre-existing medical conditions of any person not named on your policy, whose health may affect your decision to start or continue your trip, such as a non-travelling relative... This exclusion applies regardless of whether you knew about the condition or not.'

In my view, the policy documentation makes it sufficiently clear that Admiral won't cover claims arising from the pre-existing conditions of non-travelling close relatives. I'd add that most, if not all, travel insurance policies include similar exclusions on cover. Admiral concluded that Mrs P's trip was cancelled due to the pre-existing medical condition of her father and therefore wasn't covered by the policy terms. So I've next carefully considered the medical evidence to decide whether I think this was a fair conclusion for Admiral to draw.

The medical certificate which was completed by Mrs P's father's GP stated that Mrs P's father had been diagnosed with metastatic cancer in March 2024 – around four months before the trip was booked and the policy was taken out. Mrs P acknowledges that her father

was initially diagnosed with cancer in 2018 and was controlled by medication for some years. A supporting letter from Mrs P's father's GP states that Mrs P's father was diagnosed with cancer in January 2018 and that the metastasis was found during a CT scan in February 2024. The medical certificate also says that it would have been necessary to cancel the trip on 26 July 2024 – around two weeks before Mrs P took out the policy. And Mrs P has provided us with a copy of her father's death certificate. This shows that the immediate cause of his death was pneumonia, which was in turn caused by his cancer.

On that basis, I don't think it was unfair or unreasonable for Admiral to rely on the available medical evidence to conclude that Mrs P's claim was caused by a condition her father already had at the time she booked the trip and took out the policy. I appreciate Mrs P says neither she nor her father knew how serious his condition was or that it would deteriorate and I accept this may have been the case. But I don't think it was unfair for Admiral to take into account the date the GP said it would have been necessary for the trip to be cancelled. And the terms specifically state that a condition doesn't need to be known about for the exclusion to apply. Nor do I think it was unfair for Admiral to consider that Mrs P's father was a person on whom her travel depended – given she cancelled the trip due to the worsening of his health.

Overall then, whilst I sympathise with Mrs P's position, I don't think Admiral acted unfairly when it concluded that her claim wasn't covered by the policy terms. And so I don't think it was unreasonable for Admiral to turn down Mrs P's claim.

I note Mrs P says she experienced some issues during the claims process – including dealing with Admiral by phone despite having a hearing impairment. It doesn't appear that Mrs P has previously complained to Admiral about that issue and so it doesn't look like it's had a chance to look into or respond to those concerns. Therefore, I don't think it would be appropriate for me to make any finding on this point. It's open to Mrs P to make a new complaint to Admiral about this particular issue should she wish to do so. I do note though that Mrs P's policy schedule doesn't indicate that she told Admiral about any hearing impairment when the policy was taken out.

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 Miss P, Mrs P and Mr P to accept or reject my decision before 3 June 2025.

Lisa Barham
Ombudsman