

## The complaint

Mr J complains that Travelers Insurance Company Limited ('Travelers') declined a claim he made on his Narrowboats and Inland Craft insurance policy in addition to retaining his premium.

## What happened

In March 2024 Mr J contacted Travelers to make a claim after his boat was damaged when high winds caused it to break free of its mooring.

Travelers investigated the claim and wrote to Mr J in September 2024 to say it had decided to decline it. It said this was because the policy terms contained a clause requiring the vessel to be moored at the location shown in the policy documents and berthed on a pontoon, trot, swinging mooring or piles in a recognised professional ran marina or equivalent or ashore. However, it thought Mr J was in breach of this clause as it found prior to the loss the boat was moored outside the marina and tied to a forward mooring shackle of a barge by a single rope.

Secondarily, it said it declined the claim because the policy terms required Mr J to hold a current Canal and River Trust or Environment Agency licence as well as a current Boat Safety Certificate. But it found Mr J did not hold these.

Mr J complained about this decision, saying also it was unfair that Travelers had collected his premium but had never asked if he had the license or certificate. Travelers provided a final response on 1 October 2024 in which it maintained its decision to decline the claim for the same reasons it had previously given.

Dissatisfied with this response, Mr J brought his complaint to us. Our investigator didn't think Travelers had acted unfairly. She thought the surveyors report Travelers provided showed Mr J was in breach of the policy home mooring clause and the condition requiring Mr J to hold a licence and safety certificate. And, although she acknowledged Mr J had asked for a premium refund if the claim wasn't to be paid, she thought the licencing and certificate requirement was clear in the policy terms, so she didn't think wasn't unreasonable that Travelers hadn't previously asked Mr J if he held the necessary licenses and safety certificate.

Because Mr J didn't agree, the complaint was referred to me to decide. Since the complaint was referred to me, Travelers has offered to reimburse Mr J the premium he paid since his policy was incepted with it on 13 May 2023. This offer was put to Mr J, but he didn't accept. I issued a provisional decision upholding the complaint in part, and I said:

*"I've read the surveyors report and find this provides a detailed and persuasive explanation of how the damage occurred to Mr J's boat. I don't think it was disputed that the boat was moored by being tied to a barge with one rope at the time of the loss, so I think this was in breach of the policy condition which required the boat to be berthed on a pontoon, trot, swinging mooring or piles inside the marina. However, Mr J says that it was not his fault the*

*boat wasn't moored correctly, as the marina owner had taken the boat from him without permission.*

*I've considered Mr J's comments, but ultimately, I don't think it changes the outcome of his claim. This is because his claim was also declined due to it being a requirement of the policy terms that Mr J hold a valid Canal and River Trust or Environment Agency licence and a current Boat Safety Certificate, which he did not.*

*However, the implication of Mr J not holding these licenses or certificate is that he wasn't eligible to receive the benefit of the policy. Mr J said that at no point prior to the claim was he asked if he held these licenses or the certificate, and I haven't seen evidence to show that he was.*

*The policy terms and conditions booklet sets out the requirement to have the relevant licenses and safety certificate under a section headed 'Important Features'. But I can't see that this requirement was highlighted elsewhere to Mr J in the policy documents. Given that this term had an impact on whether any benefit was payable under the policy, I think it was a significant term and as such should have been drawn to Mr J's attention. But I don't think that it was. So, I don't think it was made clear enough to Mr J that his cover would be invalidated if he didn't hold the licence and certificate.*

*I also don't think it was fair and reasonable that Mr J wasn't asked at any point before the claim if he held the required licenses or safety certificate. Given that this was one of the reasons given by Travelers why the claim was declined, I think it was a condition precedent to cover that Mr J held these. So, I don't think Mr J was ever eligible for cover under the policy.*

*Consequently, I don't think it's reasonable for Travelers to retain the premium. It required Mr J to hold a license and for the boat to have a valid safety certificate, neither of which he had. But I don't think this requirement was sufficiently highlighted to Mr J, nor have I seen evidence showing Mr J was at any point before the claim asked if he had the license or certificate. Ultimately, I think that unfairly placed Mr J in a position where he was issued with a policy which he couldn't receive any benefit from in the event of a claim.*

*Travelers has now agreed to reimburse Mr J the premium he paid from when it began providing the cover on 13 May 2023. I think that's reasonable, but to reflect that Mr J has been without these funds simple interest should also be added to this refund at a rate of eight percent per year from the date the premium was paid to the date of settlement."*

*Travelers replied saying it had nothing further to add. Mr J replied. Mr J replied saying he has held the policy for around eight to ten years and asked if he could receive a refund of premium for the entire duration he has held the policy.*

### **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.*

*Neither party has provided me with anything more to think about regarding Travelers decision to decline the claim. So, I still don't think it was unfair for Travelers to decline the claim for the same reasons as I set out in my provisional decision.*

*Travelers agreed to reimburse Mr J's premium from the date it began underwriting the policy on 13 May 2023. But Mr J says he has held the policy longer than this and asks if the premium can be refunded to cover the entire duration he's held cover for his boat.*

I am only able to consider Travelers actions in this decision. So, I cannot make any findings here about any other businesses unless they were acting on behalf of Travelers. This includes any previous underwriters of the policy.

Accordingly, if prior to 13 May 2023 the cover Mr J held for his boat was provided by any other businesses and Mr J thinks he has unfairly paid a premium for a policy he wasn't eligible to use, he will need to take that up directly with any previous insurer/s that provided the cover before 13 May 2023. Mr J may wish to speak to the business which sold him the policy if he requires advice on who the previous underwriters were. Alternatively, if Mr J thinks that he was mis-sold the policy due to being ineligible to use it, he may wish to take that up directly with the business that sold the policy to him.

I can only require Travelers to refund the premium for the period during which it provided the cover. Since it has now agreed to do that, I think that presents a fair and reasonable outcome to this complaint.

### **Putting things right**

I require Travelers to reimburse Mr J the premiums he has paid from the date the policy was incepted with Travelers. In addition to which, I require Travelers to add simple interest to this refund at a rate of eight percent per year calculated from the date that premiums were paid, to the date the refund is issued.

If Travelers considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr J how much it's taken off. It should also give Mr J a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

### **My final decision**

I uphold this complaint in part and require Travelers Insurance Company Limited to carry out what I've set out in the 'Putting things right' section of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 17 July 2025.

Daniel Tinkler  
**Ombudsman**