

The complaint

Mr and Mrs G have complained that Red Sands Insurance Company (Europe) Limited has declined a claim they made on a travel insurance policy.

As it is Mrs G leading on the complaint, for ease, I will mostly just be referring to her in this decision.

What happened

Mr and Mrs G purchased the annual policy on 17 June 2024, with a policy start date of 18 June 2024. They were due to go on a trip on 2 July 2024 but had to cancel it due to Mrs G's ill health. They therefore made a cancellation claim on the policy.

Red Sands declined the claim on the basis that the circumstances are not covered under the policy terms.

Our investigator thought that Red Sands had acted reasonably in declining the claim, in line with the policy terms and conditions. Mrs G 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.

The complaint involves the actions of the claim administrators, acting on behalf of Red Sands. To be clear, when referring to Red Sands in this decision I am also referring to any other entities acting on its behalf.

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

Looking at the policy terms, they state:

'Criteria for purchase

This insurance is sold on the understanding that you agree with all of the following points unless an amendment has been agreed with us and we have confirmed the amendment to you in writing:

- *there is no cover under this policy if you purchase this insurance and are aware of any circumstances that are likely to lead to a claim.*
- *you are not awaiting an initial diagnosis for symptoms you are currently experiencing. We are unable to provide any cover until you have a confirmed diagnosis.*

- *all existing medical conditions must be disclosed as well as any previous existing medical conditions that fall within the questions stated under the Health / existing medical conditions section of this policy and any additional premium required must be paid.*
- *if your medical circumstances have changed in any way you must notify us of any change, and we must have agreed to the change(s) in writing and any additional premium required must be paid.'*

Red Sands declined the claim on the basis that she was under medical investigation for her symptoms prior to the start date of the policy.

Mrs G visited her GP on the same day as purchasing the policy. Her medical notes show this was due to experiencing pain and swelling in her leg. She was diagnosed the following day (18 June 2024, which was the start date of the policy) with DVT and advised that she shouldn't fly for at least four weeks.

Mrs G has said that the DVT was not a pre-existing condition and was not being investigated. In support of this she has provided a discharge letter from the hospital which describes the DVT as 'unprovoked'.

The significant issue here is when the symptoms started. And her GP records show them being present prior to her visit to the GP on 17 June 2024 and the purchase of the policy. In medical terms, 'unprovoked' just means that there's no identifiable reason for the DVT occurring. Although Mrs G says it wasn't pre-existing, based on the available evidence, I'm satisfied that the symptoms she was experiencing on 17 June 2024 were directly related to the diagnosis of DVT she received the following day.

Mrs G has also said that Red Sands accused her of fraud. As set out in the policy wording above, there is an exclusion relating to where a policyholder is aware of any circumstances that might lead to a claim. Given the proximity of her GP appointment and her purchase of the policy, it would be normal for that to be automatically flagged as a possible concern. However, I haven't seen any evidence that Red Sands pursued that line of enquiry or communicated that view to her.

I can see that the claims process didn't run as smoothly as it could have. However, overall, I consider that Red Sands was entitled to take steps to fully investigate the claim – including the requirement for medical records to be provided at Mrs G's own expense, in addition to the GP's 'to whom it may concern letter' that it had received earlier in the process.

I've thought very carefully about what Mrs G has said and I appreciate how strongly she feels about matters. However, overall, I'm satisfied that Red Sands acted reasonably in its claims handling and that it was fair for it to decline the claim, 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, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mrs G to accept or reject my decision before 29 September 2025.

Carole Clark
Ombudsman