

The complaint

Miss W complains that Admiral Insurance (Gibraltar) Limited avoided her travel insurance policy due to misrepresentation and turned down her claim as a result of this.

What happened

On 1 November 2024, Miss W took out a single trip travel insurance policy with Admiral through a price comparison website. This was to cover a trip abroad in January 2025. Shortly before the trip, Miss W was advised not to travel for health reasons. She therefore cancelled the trip and made a cancellation claim under the policy.

Admiral turned down the claim. It said that Miss W hadn't told it that she was under investigation for abnormal liver function when taking out the policy. It said if it had known this information then it wouldn't have offered her cover. Admiral also referred to a policy exclusion relating to pre-existing conditions.

Miss W complained to Admiral about its decision to turn down her claim. She didn't think the policy definition of a pre-existing condition applied to a liver function test.

Admiral issued a final response to the complaint on 7 March 2025. It maintained its decision to decline the claim because it confirmed it wouldn't have offered Miss W the policy if it had known she was under investigation for her liver function. However, it accepted that it had referred to the wrong policy wording when it had turned down the claim. Admiral paid Miss W £50 compensation for this. It also confirmed it had cancelled her policy and returned the premium paid (effectively avoiding it from the start).

Unhappy with Admiral's response, Miss W brought a complaint to this service. After doing so, Admiral offered Miss W a further £100 compensation for referring to the wrong policy wording when it turned down her claim. Miss W didn't accept this offer.

Our investigator looked into things but didn't recommend the complaint be upheld. She thought Admiral's decision to avoid the policy and turn down the claim had been reasonable. Whilst she thought Admiral had caused unnecessary confusion by referring to the incorrect policy wording when it turned down the claim, she concluded the £150 compensation that Admiral had offered for this was fair.

Miss W didn't accept our investigator's findings and so the matter 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.

As Admiral says that Miss W failed to tell it relevant information about her health when taking out the policy, I need to consider the matter in accordance with the principles set out under

the Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA), which concerns misrepresentation.

Under CIDRA, there's a duty on a consumer to take reasonable care not to make a misrepresentation to an insurer, and if a qualifying misrepresentation is made, it sets out the remedies that are available to the insurer. A misrepresentation is qualifying if an insurer shows that without the misrepresentation it wouldn't have entered into the contract at all or would have only done so on different terms.

When Miss W took out the policy, she was asked:

'Are you or anyone in your party currently on a waiting list for treatment or investigation?'

I'm satisfied this is a clear question. Miss W answered 'no'.

Miss W's GP completed a medical certificate on 10 January 2025. They were asked if Miss W was under review, having tests or investigations, or awaiting results for any existing diagnosed or undiagnosed medical condition. The GP answered that Miss W had an abnormal liver function test on 15 October 2024 and had been referred on this date for further blood tests. They said she hadn't been referred to a specialist.

The certificate then asked if Miss W had been diagnosed or received any treatment for a new medical condition. The GP again confirmed Miss W had an abnormal liver function test on 15 October 2024. They said she had unspecified transaminitis (which I understand indicates elevated liver enzymes). And that she was seen by hepatology and the underlying diagnosis was unclear, but it was resolving and not of concern.

Finally, the certificate asked about specific conditions, and next to 'liver/hepatic condition' the GP again said Miss W had an abnormal liver function test in October 2024. They also said that this was currently under investigation and was improving and resolving.

Although the GP said Miss W hadn't been referred to a specialist following her abnormal liver function test in October 2024, they later said Miss W was seen by hepatology. They didn't say when this happened, though Miss W recalls being seen by hepatology just before Christmas 2024.

So, we know that when Miss W had the abnormal liver function test on 15 October 2024, her GP referred her for further blood tests on this date. And we know she was seen in hepatology in late December 2024. I don't know if she was referred to hepatology for the further blood tests, or if she had the blood tests and was then referred to hepatology. Though I think it's reasonable to conclude from the available information we have that she was either on a waiting list for the further blood tests or on a waiting list for hepatology when the policy was taken out on 1 November 2024.

I'm therefore satisfied that it was reasonable for Admiral to conclude that Miss W was on a waiting list for investigation when the policy was taken out, and therefore she ought to have answered yes to the above question. That means Miss W failed to take reasonable care not to make a misrepresentation.

I've noted Miss W's argument that whilst she was awaiting investigations, she says she wasn't on a waiting *list*. Though I'm satisfied that since Miss W had been referred for further investigations and wasn't seen immediately, she was on a waiting list for those investigations.

Admiral has shown this service that if Miss W had answered yes to this question, then it wouldn't have offered her the policy. That means the misrepresentation was qualifying, according to CIDRA.

Admiral hasn't said how it has categorised the misrepresentation, but I'm satisfied this was careless rather than deliberate or reckless. The remedy to Admiral under CIDRA for careless misrepresentation is that it may avoid the contract and refuse all claims but it must return the premium paid. Admiral has done this and so I'm satisfied it acted fairly.

When Admiral turned down Miss W's claim, it wrongly referred to a pre-existing condition exclusion that wasn't relevant. This caused Miss W unnecessary confusion. Admiral has recognised this and since the complaint came to our service, it has offered her £150 total compensation for its error, which I consider to be reasonable in all the circumstances.

My final decision

My final decision is that I uphold this complaint. I require Admiral Insurance (Gibraltar) Limited to pay Miss W £150 compensation (less any amount already paid)*.

*Admiral must pay the compensation within 28 days of the date on which we tell it Miss W accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 19 January 2026.

Chantelle Hurn-Ryan
Ombudsman