

The complaint

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

As it is Mr B leading on the complaint, for ease, I will mostly just be referring to him in this decision.

What happened

Mr B was on a trip abroad which had started on 8 February 2024, with a scheduled return date of 20 March 2024. Unfortunately, he started to experience back pain which became progressively worse. He ended up having surgery on 12 March 2024 and had to delay his return home. He therefore made a claim on the policy for medical and other associated costs.

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

Our investigator thought that Red Sands had acted reasonably in declining the claim. However, she recommended that it should pay £300 compensation for distress and inconvenience caused by some service issues. Despite initially challenging the award of £300, Red Sands did then pay this to Mr B in July 2025.

I wrote a provisional decision earlier this month in which I explained that I was partly upholding the complaint and inviting the parties to comment further. Mr and Mrs B sent separate responses explaining why they still felt the claim should be paid in full.

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 mentioned in my provisional decision, the ombudsman was established to be a quick and informal service. This doesn't mean we apply any less rigour or care in reaching our decisions. But it does mean that we might not respond to each and every point that has been raised. Mr B has provided a further substantial submission in response to my provisional decision. With respect, it broadly repeats the arguments previously made, which I had read and understood prior to issuing my provisional decision. I will, however, address what I consider to be the most salient points below.

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 Red Sands to handle claims promptly and fairly, and to not unreasonably decline a claim.

Whilst Mr B remains convinced that Red Sand declined the claim because it believed his condition to have been pre-existing, that is not the case. It is true that it took steps to check that it wasn't pre-existing, which is standard when assessing any claim. Given his age and the usual degenerative nature of the condition, it's understandable that it thought it was highly likely to be pre-existing. However, as soon as his GP confirmed he'd had no symptoms or treatment in the two years prior to purchasing the policy, it concluded that the condition wasn't pre-existing, as defined under the policy terms. It is not in dispute that he was physically fit and active prior to the onset of his condition in February 2024.

Red Sands declination of the claim is based on him not awaiting authorisation for the surgery and because it considered that treatment could have waited until he'd returned home, if he'd received conservative management from the point that the condition started.

I'd said in my provisional decision that insurance policies aren't designed to cover every eventuality or situation, which Mr B says he finds accusatory. I was merely pointing out that, to obtain cover, there are certain conditions that need to be met.

The policy terms state:

'Medical Treatment (important considerations):

- *There is no cover for:*
- *Treatment that can wait until you return home'*

And:

'In the case of a serious medical emergency

In the event you become unwell or sustain a minor injury please call our 24/7 assistance team first on (.....) so they can help you to find appropriate treatment locally.
(.....)

You must, in all cases call our 24/7 assistance team on (.....) to authorise cover. Failure to do so may invalidate your claim.'

It was on 24 February 2024 that Mr B attended a public hospital. As his condition failed to improve, he then visited a private consultant on 2 March 2024.

Mr B has asked why he needed to contact Red Sands at this early stage as his condition wasn't an emergency at that time. The short answer to that is that it's something that's set out in the policy as a requirement. And it would have given Red Sands the opportunity to monitor the ongoing situation.

His condition was serious enough on 24 February 2024 for him to go to A&E. And at some point on or before 2 March 2024, he made the decision to see a private consultant as his condition had worsened. So, even if he had contacted Red Sands when he had decided to see the consultant, it would have had at least seven additional days to assess the situation. As it was, he didn't contact it until 9 March 2024, at which point he had already agreed to surgery. Mrs B has said that they were staying in a private apartment without good phone contact. However, as they were able to make contact with Red Sands at the later date via their children in the UK, they could have done so earlier.

Red Sands position is that, had Mr B made contact when he first became unwell on 24 February 2024, it could have managed the situation via its aviation medical specialist team. As such, it thinks that Mr B would likely have been able to travel home, potentially on his original return date of 20 March 2024. He could then have had any other necessary treatment, including surgery, back in the UK.

So, whilst it would likely have covered the cost of conservative treatment to allow Mr B to return to the UK, the surgery wasn't covered because it was not agreed in advance and was also not deemed to be medically necessary.

Whilst Mr and Mrs B have talked about being informed verbally that the surgery needed to be carried out as an emergency, the written medical reports do not reflect that.

In response to my provisional decision, Mr B has listed the medical reports that I should have had access to. He's highlighted the diagnosis, in addition to other wording from those reports, to support his assertion that the surgery was urgent to avoid paralysis of his legs. I would like to assure Mr B that I had read all of the medical reports previously. Having re-read them now, whilst the need for surgery is indicated, I'm afraid I'm still not persuaded that they express the need for immediate, emergency, surgery.

I've thought very carefully about everything Mr and Mrs B have said and I am very sympathetic to their situation. Mr B began suffering from a very painful and serious health condition whilst abroad, which must have been frightening and stressful. I do hope he is making a good recovery. I can understand why they made the decision that surgery was the best option. However, the matter at hand is whether Red Sands did anything significantly wrong in declining the claim for surgery, and I'm unable to conclude that it has.

Overall, I remain satisfied that it was reasonable for Red Sands to conclude that the surgery was not medically necessary at that time and that he could likely have returned to the UK to have any further necessary treatment there. It follows that I consider it was reasonable for Red Sands to decline the claim for medical costs relating to the surgery.

However, I explained in my provisional decision why I thought that Red Sands should cover the cost of Mr B's upgraded return flight. That was because, if he had contacted it at the earliest opportunity, it would likely have arranged for Mr B to receive a programme of conservative care to allow a return to the UK, potentially on the original return date. But that being the case, it would still have had to cover the full cost of a business class ticket as his original economy ticket was not able to be upgraded.

Mr and Mrs B have misunderstood the reasoning behind the redress I've awarded, specifically that I am not asking Red Sands to cover the cost of Mrs B's return ticket.

Mr and Mrs B both flew back in business class on 10 April 2024. They've said that, following his surgery, he would have needed his wife's assistance, so they had to be seated together. There's no doubt about that. But my award reflects the value of the claim had things happened differently and Mr B had not had the surgery abroad. If they had been able to return on the date originally planned, Mr B would still have needed a business class seat so that he could stretch out to alleviate the pain of his back condition. However, in that scenario, Mrs B wouldn't have needed to provide constant care and so could have used her original economy seat.

Red Sands informed Mr B on 3 April 2024 that, although it would not cover the cost of surgery, it would consider the initial medical costs subject to him providing invoices and any other necessary information. I consider that to be fair, especially as some medical investigations would still have been required to diagnose Mr B's condition. And the initial

treatment (such as muscle relaxants and pain killers) and consultations would likely have been included as part of any wider conservative management of his condition, had Red Sands been given the opportunity to arrange that. However, I remain unsure about whether any element of the claim has been paid to date.

In terms of compensation for any service issues, I consider that £300 is a reasonable and proportionate amount for any distress and inconvenience caused.

Putting things right

Subject to Mr B providing the necessary supporting evidence, Red Sands should put things right by settling the claim for Mr B's return flight, initial medical treatment and any other costs it would have agreed had Mr B not had the surgery but instead returned home as planned. It does not need to pay any costs associated with the surgery or relating to an extended stay abroad beyond 20 March 2024.

My final decision

For the reasons I've explained, my final decision is that I partly uphold the complaint and require Red Sands Insurance Company (Europe) Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B and Mr B to accept or reject my decision before 6 January 2025.

Carole Clark
Ombudsman