

The complaint

Mr B has complained that Barclays Bank UK PLC (“Barclays”) continued to charge him a monthly fee for his Travel Plus Pack during the time that the government imposed pandemic restrictions were in place.

Mr B says that Barclays should refund the Travel Plus Pack fees as he was unable to make use of the insurance benefits it provided.

What happened

One of our adjudicators assessed the complaint and they didn’t think that Barclays had acted unfairly in this matter.

Mr B disagreed and so the matter was referred for an ombudsman’s 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.

I understand that Mr B feels that Barclays should refund the monthly fee for the Travel Plus Pack from when the covid restrictions came into effect up until when he cancelled the Pack in 2022. This is on the basis that he was unable to use the benefits (such as travel insurance and breakdown cover) it provided in that time.

Barclays has explained that the Travel Plus Pack is sold and provided as a package. Because of this, account holders are unable to pick and choose what it comes with. That also means it comes at a fixed price. Therefore, if account holders don’t feel that it continues to provide value for money for them, it is up to them to cancel it.

In this case, Mr B may’ve felt (quite understandably) that the Pack was poor value for money for him during the pandemic. And I appreciate that other insurance product providers did include a discount or refund on premiums paid, due to the policy holders not being able to travel. But the Travel Plus Pack does not operate like a typical insurance policy. Rather than offering to provide cover for set amount of time - usually 12 months or for a specific trip - it provides cover (and access to non-insurance benefits) on a monthly rolling basis.

This means that Mr B was free to cancel it at *any* time, as soon as he felt it was no longer good value for money for his circumstances. Because of this, I don’t think it is reasonable to hold Barclays responsible because Mr B choose to keep the Pack, rather than ask for the Pack to be cancelled.

I note that Mr B says that travelling abroad was illegal because of the government-imposed restrictions on travelling abroad and so essentially says there was no insured risk.

I should firstly highlight that it did provide cover for trips in the UK. And it also provided cancellation cover (although the scope of cancellation cover did eventually change on most policies, once Covid became a known risk). So although Mr B may not have needed the travel cover, other Pack holders did. Indeed, Barclays has told our service that it had temporarily stopped selling Travel Plus Packs for a period of time, because the travel insurer was inundated with cancellation claims and queries.

As such, given that other Pack holders were still relying on the cover provided by the pack, and given that the Pack could be cancelled at any time by Mr B, I don't think it was unreasonable that Barclays didn't refund the fees (either partially or in full) for Mr B.

Finally, I note that Mr B says he chose to keep paying for the Travel Plus Pack - even though he knew he was unable to benefit from it for some time because of the restrictions in place – because it provided cover up to the age of 80. However, that was Mr B's choice to make. But I can't reasonably hold Barclays responsible for Mr B's decision to keep paying for the Pack even though he knew he wasn't benefiting from it (but hoped to do so in the future). Ultimately, Mr B was free to cancel the Pack and take out alternative cover (albeit, possibly through other providers) as and when he needed such cover.

So taking everything into account, I'm unable to say that Barclays has acted unfairly or unreasonably in this matter.

My final decision

Because of the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 3 November 2023.

Thomas White
Ombudsman