

The complaint

Mr and Mrs V complain because U K Insurance Limited ('UKI') hasn't paid a claim under their travel insurance policy.

What happened

Mr and Mrs V are insured under a travel insurance policy provided by UKI.

Mr and Mrs V were on a multi-destination holiday abroad, returning to the UK on 29 May 2023. On arrival at what Mr and Mrs V say they intended to be their second destination Mr V unfortunately fell ill. Mr and Mrs V stayed there for the rest of their trip and returned to the UK on their original return flight, foregoing a visit they said they'd planned to make to a third destination.

On their return to the UK, Mr V contacted UKI to make a claim for the cost of additional accommodation in his and Mrs V's second destination. Mr V said he had visited his GP in the UK and had been prescribed antibiotics, and subsequently provided a medical certificate from his GP.

UKI said Mr and Mrs V's claim wasn't covered under their policy as they'd incurred no additional costs and hadn't contacted UKI and/or a doctor while they were abroad. When Mr V complained, UKI maintained its position to decline the claim but paid £75 compensation for delays and other service failings.

Unhappy, Mr and Mrs V brought the matter to the attention of our service. One of our investigators looked into what had happened and said he didn't think UKI had acted unfairly or unreasonably in the circumstances. Mr and Mrs V didn't agree with our investigator's opinion, so their complaint has been referred to me as the final stage in our process.

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.

Travel insurance policies don't cover every eventuality and UKI's obligations to Mr and Mrs V are limited by the terms, conditions and exclusions which are set out in their contract with it. Insurance like this exists to cover financial losses (either unused costs or additional costs) if an insured event which is covered by the policy happens.

I've reviewed the terms and conditions of Mr and Mrs V's policy and I don't think they have any cover for either the situation they found themselves in or for the costs they are claiming for.

Mr and Mrs V's policy covered their trip (which is defined as a *'journey that begins and ends at your home during the period of insurance'*) ending on 29 May 2023.

Cancellation cover only applies if the whole trip is cancelled before a policyholder departs from the UK. And, even if I were to accept that the visit which Mr and Mrs V say they

planned to a third destination was cancelled in circumstances where they had no pre-booked flights to that country, Mr and Mrs V have no unused costs relating to that trip to claim for. Mr and Mrs V's policy also provides cover for unused costs if a trip is cut short in its entirety. But, again, this isn't what happened here. Mr and Mrs V returned to the UK on their original return flight on 29 May 2023, so their trip wasn't cut short.

Mr and Mrs V's policy does, in certain circumstances, provide cover for additional accommodation costs if a trip is extended due to a medical emergency. But, as Mr and Mrs V returned to the UK on their original intended return date, I can't fairly say that their trip as defined under the policy was extended either. And, even if I were to accept that part of Mr and Mrs V's trip (their stay in the second destination) was extended in circumstances where they have no evidence to show they would be visiting a third destination, in order for a valid claim to be made under the emergency medical section of cover, UKI would need to have been contacted while Mr and Mrs V were still abroad. I understand Mr and Mrs V say they tried to contact UKI but couldn't get through, but I find it unlikely that Mr and Mrs V would have been unable to make contact with UKI at any point during the time they stayed in their second destination. I'm not making any finding about whether I think Mr V has successfully evidenced that it was medically necessary for him and Mrs V to extend their stay in their second destination, as I don't think their claim is covered under this section of their policy regardless.

Even if Mr and Mrs V had evidence of an onward flight booking to their third destination, they don't hold a policy which provides cover for disruption to a planned itinerary and/or enforced stay on part of a trip. And, while I appreciate that Mr and Mrs V's trip was affected by Mr V's illness, travel insurance policies don't cover loss of enjoyment.

In any event, even if there was a section of this policy which I thought applied to this particular situation, I don't think Mr and Mrs V can fairly be said to have evidenced that they've incurred additional costs that their travel insurance policy would step in and indemnify them for. I understand, from Mr and Mrs V's perspective, they feel they spent more on accommodation in their second destination than they'd intended to. But Mr and Mrs V had no firm plans as to when they intended to move on to their third destination and had no flights booked to do so. If Mr and Mrs V had travelled on to the third destination then they say they would have stayed with friends. But, based on the available evidence, I can't fairly conclude that Mr and Mrs V wouldn't always need to have paid for accommodation for the entire duration of their stay until they returned to the UK on 29 May 2023.

I understand Mr V says he has never made a travel insurance claim, that an additional premium was paid to UKI for an extension to the cover and that Mr V doesn't consider the value of this claim to be significant in comparison to the overall cost of the trip. But none of these are reasons upon which I could fairly direct UKI to cover a claim which I don't think falls within the parameters of Mr and Mrs V's policy.

A call took place between UKI and Mr V about the claim after Mr and Mrs V's return to the UK and Mr V says he was given incorrect and, subsequently, contradictory information by UKI. I don't think any calls Mr V had with UKI materially affect the outcome of this complaint. The calls took place after Mr and Mrs V had already incurred the costs they were claiming for, so Mr and Mrs V didn't act to their detriment based on any of the information which UKI might have given to Mr V. I also don't think that the physical location of UKI's staff when taking Mr V's calls is a relevant consideration as to whether Mr and Mrs V's claim is covered under the terms and conditions of their policy.

I'm satisfied that the £75 compensation which UKI has already paid is fair and reasonable in the circumstances for the impact of any of its delays or service failings on Mr and Mrs V, so I won't be directing UKI to do anything further.

Any complaint about any issues which Mr V experienced when purchasing the extension to the policy before his and Mrs V's trip would need to be directed to UKI in the first instance before our service would have the power to consider them.

My final decision

My final decision is that I don't uphold Mr and Mrs V's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V and Mrs V to accept or reject my decision before 1 December 2023.

Leah Nagle
Ombudsman