

## The complaint

Mr and Mrs D complain about their travel insurance policy provided by Barclays Bank UK PLC as a benefit of a current account.

## What happened

In summary, for many years, Mr and Mrs D have had travel insurance as a benefit of a current account with Barclays. In 2018, Barclays wrote to Mr D and told him that the monthly fee was increasing to £18 and the benefits were being enhanced. The enhanced benefits included an increase in cancellation cover from £3,000 to £5,000. The travel insurance is underwritten by a third party.

In November 2022, Mr and Mrs D booked a trip with departure and return dates of 8 June 2023 and 25 June 2023 respectively. Unfortunately, in April 2023, Mr D became unwell and required medical treatment. Mr and Mrs D cancelled their trip. Their cancellation cover was £5,000 for each insured person, which was less than the cancellation costs of their trip.

Mrs D checked Barclay's web site and believed that the cancellation benefit was £10,000 for each insured person. Barclays told Mrs D that the policy to which she referred wasn't the policy she and Mr D had. It said that newer customers had a different policy. Mr and Mrs D didn't think that was fair and pursued their complaint.

Mr and Mrs D say that they've been loyal customers of Barclays for many years. They say that they have been discriminated against as longstanding customers as Barclays didn't offer them an automatic upgrade to a limit of £10,000 for cancellation cover for each insured person. Mr and Mrs D also complain about delays in Barclays' handling of their complaint.

In response to Mr and Mrs D's complaint, Barclays said the limit of cancellation cover for Mr and Mrs D was £5,000 for each insured person. It said that there was an opportunity to upgrade the cancellation cover to a maximum of £10,000 for each insured person if they contacted the upgrade department at the time of booking their trip. Barclays said that Mr and Mrs D hadn't upgraded their policy, so the cancellation limit of £5,000 per insured person was correct.

Barclays said that it sent Mr and Mrs D annual eligibility statements which reminded them of the policy cover. It said that it does from time to time offer new products but wouldn't have told Mr and Mrs D about that as their policy is on different terms. Barclays paid Mr and Mrs D compensation of £100 in relation to its delay in dealing with their complaint.

Our investigator looked at what had happened. She didn't think that Barclays had treated Mr and Mrs D unfairly. The investigator said that Barclays are allowed to offer a variety of products and it's not for this service to tell it how to operate. She said that when Barclays sent Mr and Mrs D their eligibility statement in February 2022, it directed them

to the full policy terms on its website. The terms provided that the limit of cancellation cover was £5,000 and that the limit of cancellation cover could be upgraded.

The investigator said that when Mr and Mrs D booked their trip, the new travel policy with the higher cancellation limit wasn't available, so the information Barclays made available to Mr and Mrs D at the relevant time was clear.

The investigator thought that the compensation of £100 Barclays had paid in relation to its delay in dealing with their complaint was fair.

Mr and Mrs D asked that an ombudsman consider their complaint, so it was passed to me to decide.

In this decision, I'm dealing with Mr and Mrs D's complaint about Barclays. I'm not dealing with any complaint about the underwriters of the policy.

Our service can only consider complaints about financial services. So, I can't consider the additional points that Mr and Mrs D have raised about the handling of their complaint because it isn't a regulated activity. I appreciate that Mr and Mrs D may be disappointed by that but I can't act outside our legal powers.

### **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 relevant policy terms

Mr and Mrs D's travel insurance policy includes cover for certain costs incurred following cancellation of a trip up to the policy limit of £5,000 for each insured person per trip. It also includes the following:

#### ***'Upgrading your cover***

*We understand that your needs may change, and there may be times where you may need to increase some of the limits or extend your cover. To find out more or to get a quote, call the Customer Services upgrade number shown in '1. How to get help before you book your trip'. If we offer an upgrade, there may be an additional premium which you will need to pay. To ensure you are fully covered, you should buy your upgrade at the point of booking the trip.*

*[...]*

#### ***Increased cancellation cover***

*The most we'll cover for trip costs under 'B. Cancelling or coming home early' [...] is £5,000 per person. If you or anyone covered by this policy are planning a trip and want to increase this limit you can upgrade to a maximum of £10,000 per person.*

*This upgrade covers one single trip, you will need to buy this for each trip that costs more than £5,000 per person.'*

#### Has Barclays acted fairly and reasonably?

- Barclays sold the travel plus pack to Mr and Mrs D on a non-advised basis. That means that it wasn't required to check whether the policy was suitable for their needs. But it was required to make sufficient information available to them so that Mr and Mrs D could make an informed choice about whether the policy was suitable for them.

- I've seen Mr and Mrs D's annual eligibility statement dated February 2022 (before Mr and Mrs D booked their trip) and January 2023 (before Mr and Mrs D cancelled their trip). In those letters Barclays refers to its website for the full terms and conditions of the policy. Barclays' website shows that the limit of cancellation cover provided by Mr and Mrs D's policy was £5,000 for each person per trip. The policy on the website included the information I've set out above about upgrading cancellation cover.
- I'm satisfied that Barclays provided Mr and Mrs D with sufficient information to enable them to make an informed choice about whether the policy was suitable for them.
- Mr and Mrs D have referred to the terms of a travel plus pack on Barclays' website. Barclays offered a new policy on different terms to customers who purchased the travel plus pack on or after 20 April 2023. The link Mr and Mrs D have referred to relates to customers who purchased the travel plus pack on or after 20 April 2023, so it's not relevant here.

In general terms, Barclays is entitled to offer different products on different terms. Barclays treated Mr and Mrs D the same as other customers who took out a travel plus pack before 20 April 2023. I don't think it treated them unfairly in doing so.

### **My final decision**

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D and Mr D to accept or reject my decision before 9 April 2024.

Scott Slade  
**Ombudsman**