

Travel insurance FAQ (updated 20 May 2020)

Can I claim under my travel insurance for a cancelled trip?

Travel insurance provides cover for irrecoverable costs in the event of cancellation of a trip where such cancellation is outside the control of the school. Any trips that are due to run during the lockdown period obviously can not take place and therefore this is outside of the school's control.

For any valid cancellation claim, insurers would ask schools to look for recoveries from other parties to assess potential financial losses, before a claim is submitted. This could be in the form of any refunds that may be due as a result of contractual liabilities with third party providers and/or any refunds that may be due direct from any airlines should they have already cancelled scheduled flights relating to the trip.

Are we entitled to a refund through the trip provider?

Check the booking terms and conditions of your trip provider. Package trips lasting more than 24 hours or including an overnight stay will likely fall within The Package Travel and Linked Travel Arrangements Regulations 2018 (PTR2018). These provide certain protections for consumers. A package trip is generally the combination of two or more different types of travel services which are combined for the purpose of the same trip such as flights, coaches, accommodation and activities.

If the trip is a package then whether or not the T&Cs of the trip provider include such reference, the regulations state (regulation 12) that it is an implied term in every package travel contract that if the contract is terminated by the customer due to 'unavoidable and extraordinary circumstances' occurring at the place of destination or its immediate vicinity then the customer is entitled to a full refund.

What if our trip does not fall within the current lockdown period?

The Government lockdown that was effective from 23 March 2020 for three weeks was extended from 16 April 2020 for at least another three weeks. Although the lockdown is being eased, there is uncertainty about when schools will reopen and the FCO travel advice remains against 'all but essential travel'. The government guidance stating no education trips were to be undertaken until further notice, made on 12 March 2020, remains valid. We consider the lockdown to remain in full force at the time of writing. For trips that fall outside of this period no one can say for sure that the trip will not be able to proceed, although the guidance

could change with little notice. If you were to cancel trips that are outside of this period this would be considered to be disinclination to travel and as such would not be covered by insurance - as it is a decision within the school's control.

However insurers will take a pragmatic approach and schools should discuss each individual situation with their insurance broker who will liaise with the insurers and determine whether a claim can be considered within the terms of the travel insurance policy.

What should we do now then if our trip is outside of the lockdown period?

We encourage schools to talk to their trip provider to discuss alternative travel arrangements. Travel companies are doing all they can to ensure that trips can go ahead where and when it is safe to do so and will be keen to offer you a range of options such as postponing to a later date or even for a year.

Our trip is part paid and the trip provider is asking us for the final instalment, do we pay?

Speak to your trip provider and seek to delay payments of final instalments until the situation is clearer. Many trips require the final payment to be paid 10 weeks prior to departure but many trip providers are agreeing to relax this stance and extend the final payment date.

If the trip provider is intransigent and will not adjust the payment date, failure to pay the final instalment could trigger cancellation of the trip. Doing so may lead to insurers declining a claim as disinclination to travel.

If we get the agreement of a refund from our trip provider, how long will this take to come through?

In normal circumstances a refund should be paid within 14 days (PTR2018). These are not however normal circumstances and schools need to take this in to account. Forcing trip providers to refund within 14 days would put many of them out of business, leading to significant long-term damage to the UK travel industry. Schools should expect a significant delay in receiving a refund.

If your original trip was ABTA protected, ABTA have introduced a Refund Credit Note (RCN). An RCN entitles you to rebook a trip at a future date or receive a cash refund at the expiry date of the note, or be redeemed sooner if a separate date is specified. It also retains the financial protection that you had with your original booking. More details can be found on the ABTA website - <https://www.abta.com/news/coronavirus-outbreak>

With so many people requesting refunds, what happens if the travel provider financially fails?

ABTA is the Association of British Travel Agents while ATOL stands for Air Travel Organiser's Licence. If you booked your trip through a provider that has ABTA or ATOL protection you will have received a certificate at the time of booking. The two organisations cover different kinds of package holidays depending on the mode of transport and a travel firm can sell both ABTA and ATOL protected holidays. Both schemes provide financial protection for consumers in the event of financial failure of the provider.

You can check whether your provider is ABTA or ATOL protected using the following links:

ABTA - <https://www.abta.com/abta-member-search>

ATOL - <https://siteapps.caa.co.uk/check-an-atol/>

If I did not book through an ABTA or ATOL protected trip provider can I claim under travel insurance if the provider fails?

No. Travel insurance will usually exclude claims arising as a result of the default or financial failure of any transport or accommodation provider, or any agent acting for them or the school.

We have had to cancel a domestic outward bounds trip so what happens here?

This is unlikely to be a package arrangement so the PTR2018 will not apply. On this basis whilst a number of providers are being reasonable some are using their T&C's to their advantage when it comes to refunds for a cancelled trip. We encourage schools to push back on this as these facilities are actually closed as part of the Government's lockdown measures. They are therefore unable to provide the trip and should hold some responsibility themselves rather than passing full costs on to the school to meet.