

Press release: Move to end bogus holiday sickness claims

- Practice costs travel industry millions and risks pushing up prices for law-abiding holidaymakers

Travel industry bosses and others are today being invited to submit evidence to help drive the government's crackdown on the holiday sickness claims culture.

The call for evidence being launched today (13 October 2017) will give Ministers a greater insight into the reported rise in suspected false insurance claims for gastric illnesses like food poisoning being brought by British holidaymakers.

It is the latest stage of the government's crackdown on a problem which is damaging Britain's reputation overseas and which could drive up holiday costs for hard-working families.

The upsurge in holiday sickness claims in this country – partly fuelled by touts operating in European resorts – could be as high as 500% since 2013, according to travel industry estimates. This is not seen in other European countries, and has raised questions over the scale of bogus claims.

The call for evidence will ask the industry and others to submit a wide range of information, from the volumes of claims to the amount of damages awarded. This will be used to help Ministers identify next steps to tackle false claims.

Justice Minister Dominic Raab said:

Bogus claims against tour operators risk driving up the price of summer holidays abroad for hard-working families who have earned a break. We're taking action to deter these claims, and protect holiday-makers from being ripped off.

The call for evidence, which will remain open for four weeks, follows government action over the summer aimed at reducing cash incentives to bring spurious claims against package holiday tour operators.

Tour operators often settle holiday sickness claims out of court, rather than challenge them because – due to the fact these spurious claims are arising abroad – legal costs are not controlled, so costs for tour operators can be out of all proportion to the damages claimed.

Ministers have put forward proposals which would mean tour operators would pay a prescribed sum depending on the value of the claim, making defence costs predictable and helping to deter bogus claims.

These proposals will be considered by the Civil Procedure Rule Committee, which is responsible for setting rules on legal costs. We aim to bring the new rules into force early next year.

Notes to editors

1. The Association of British Travel Agents (ABTA) reports a 500% increase from around 5,000 claims in 2013 to around 35,000 claims in 2016. This is despite the fact that travel industry data on the global trend for reported incidence of illness in resorts has actually declined in recent years.
2. ABTA has also found that while the average value of a gastric illness claim is about £2,100, the average cost of defending a claim is almost £3,800. The projected total cost of claims to the industry in 2016 (including damages paid) was estimated by ABTA to be over £240 million. We will look into these figures as part of the call for evidence.
3. For more information call the Ministry of Justice press office on 020 3545 8953.