

## **The complaint**

Ms G and Mr W complain about Admiral Insurance (Gibraltar) Limited (“AIL”) and the decision to decline the claim they made on their travel insurance policy.

Ms G has acted as the main representative during the claim and complaint process. So, for ease of reference, I will refer to any comments made, any actions taken, by either Ms G or Mr W as “Ms G” throughout the decision.

## **What happened**

In late March 2023, Ms G and Mr W took a trip abroad. And they were covered by their annual travel insurance policy, underwritten by AIL. Unfortunately, on the day before they were due to fly home, they were made aware by their airline that their original return flight had been cancelled due to industrial action. And that their next available return flight was scheduled for 4 days later.

Because of this, Ms G and Mr W took the decision to cut their original trip short, and travel to another country by train to take a connecting flight back to the UK on the same day as was originally planned. And upon their return, they contacted AIL to make a claim for the costs they incurred taking this action, which included overnight accommodation and additional travel costs.

But AIL declined the claim, explaining it failed to meet the terms and conditions of the policy Ms G and Mr W held under both the trip abandonment and travel delay sections. So, they didn’t offer to cover any of the costs Ms G and Mr W incurred. Ms G was unhappy about this, so she raised a complaint.

Ms G didn’t think AIL’s decision to decline the claim was a fair one. They thought they should be reimbursed for the costs they incurred arranging alternative travel home, considering their original flight had been cancelled and so wasn’t set to depart until four days after its original departure time. So, this was what Ms G wanted them to do.

AIL didn’t agree. They maintained their position that Ms G’s claim fell outside of the terms and conditions of the policy she held. And so, they didn’t think they needed to do anything more. Ms G remained unhappy with this response, so she referred her complaint to us.

While the complaint was with our service, AIL offered to pay Ms G and Mr W a total payment of £200, as a gesture of goodwill and without admittance of fault, to bring the complaint to a close. This offer was put to Ms G and Mr W, but it was ultimately declined. So, our investigator continued to fully investigate the complaint.

And having done so, they didn’t uphold it. Our investigator thought AIL had acted fairly, and in line with the terms and conditions of the policy, when declining the claim. They explained this was because Ms G and Mr W didn’t eventually go on the trip they originally planned to, as they took alternative transport to another country before flying home. And they explained trip abandonment only covered outward departure from the UK, and not returning. So, they didn’t think AIL needed to do anything more. Our investigator explained it would be up to Ms

G and Mr W to contact AIL to accept the £200 goodwill gesture put forward by AIL, if it remained available to them.

Ms G didn't agree. She felt the claim should be accepted under the cancellation and cutting short the trip section of the policy. And she maintained her belief the claim should also have been accepted under the travel delay section. So, she reiterated her request for the claim to be accepted, and the costs she incurred refunded to her. As Ms G didn't agree, the complaint has been passed to me for a 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.

Having done so, I'm not upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

First, I want to recognise the impact this complaint has had on Ms G and Mr W. I recognise the inconvenience they were caused, and frustration they no doubt would've felt, when they discovered their original flight home had been cancelled due to industrial action, something which is out of their control. And I can appreciate why Ms G and Mr W would deem a delay of four days to be so inconvenient that they needed to consider alternative routes home.

And as Ms G and Mr W wouldn't have incurred the costs getting home by alternative means had their original flight not been delayed, I can understand why Ms G and Mr W feel their claim should be covered under the travel insurance policy they held. So, when AIL declined their claim, I can understand why they felt unfairly treated.

But for me to say AIL should do something more, I first need to be satisfied they've done something wrong. So, I'd need to be satisfied they failed to act within the terms and conditions of the policy Ms G and Mr W held when declining the claim. Or, if I think they did act within these, I'd need to be satisfied they acted unfairly in some other way. And in this situation, I don't think that's the case.

I've carefully considered the entirety of the policy terms and conditions. And in this situation, I think the appropriate section for the claim falls under "*Section 5: Delayed or missed departure*".

Under the "*Delayed international departure (outbound or return journey)*" heading it explains that AIL "*will pay you up to the policy limits shown in your policy schedule for every complete 12 hours that your trip is delayed if your pre-booked aircraft, ship or train is delayed by more than 12 hours beyond the departure time shown on your travel itinerary because of strike, industrial action, adverse weather conditions or a mechanical breakdown. We will only pay you if you have travelled to the airport and checked in and as long as you eventually go on the trip*".

In this situation, Ms G and Mr W's trip was delayed by more than 12 hours, as their return flight didn't leave until 4 days after it was intended. And this was due to industrial action. So, I can understand why Ms G thinks she has a valid claim that should be accepted.

But crucially, the term quoted above also explained that AIL will only accept a claim if a customer travelled to the airport, checked in and goes on the trip they intended. And I don't think it's in dispute that Ms G and Mr W didn't do this.

Instead, they travelled to another country, by train, a day early. So, they didn't check in at the airport, ahead of their departure. Nor did they go on the trip, a flight from their original location to the UK. And, I can see due to Ms G's decision to arrange alternative transport, they left their destination country a day before the flight was due. And they flew back to the UK within 12 hours of their original departure time. So, for these reasons, I don't think I can say AIL have acted unfairly when declining the claim under this heading, as I don't think Ms G and Mr W's circumstances met the terms and conditions of the policy.

And under the heading "*Abandoned international departure (outbound journey only)*" it's made reasonably clear that any claim for an abandoned departure would only be for travel from the UK on an outbound basis. In this situation, the delayed/cancelled trip was returning to the UK and so, I don't think AIL have acted unfairly when declining the claim under this part of the policy terms and conditions.

But I do note Ms G also referred to another section of the policy, titled "*Section 2: Cancelling or cutting short your trip*" and so, for completeness, I've thought about whether Ms G's claim should've been accepted under this term as I'd expect AIL to consider the claim against all plausible terms when they receive it.

But this explains that a claim would only be accepted under this section of the policy for specific reasons. And having considered all the reasons listed, I'm satisfied that industrial action doesn't fall within these. So, I don't think AIL have acted unfairly when not accepting the claim under this aspect of the policy either.

I've then thought about whether AIL have acted unfairly in any other way. And when thinking about this, I've thought about whether AIL treated Ms G or Mr W differently in any way to how I'd expect them to treat another customer in a similar situation. And in this situation, I've seen no evidence that suggests AIL acted differently in any way that meant the claim decision Ms G and Mr W received was unfair, or unjust. And so, because of all the above, I don't think AIL need to do anything more on this occasion.

I understand this isn't the outcome Ms G and Mr W were hoping for. And I appreciate it will likely leave them out of pocket due to the costs they incurred ensuring they returned home on the day they originally intended. But, while I don't dispute the upset and frustration this will have caused, I don't think the delay itself was the fault of AIL. And I'm satisfied they declined the claim in line with the terms of the policy, as I'd expect them to do.

I note since our service received Ms G and Mr W's complaint, AIL offered to pay Ms G and Mr W a total payment of £200 as a good will gesture. It is up to Ms G and Mr W to contact AIL to discuss the offer, should they wish to accept it and should it remain open for acceptance.

### **My final decision**

For the reasons outlined above, I don't uphold Ms G and Mr W's complaint about Admiral Insurance (Gibraltar) Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G and Mr W to accept or reject my decision before 31 October 2023.

Josh Haskey  
**Ombudsman**