

The complaint

Miss T complains that Admiral Insurance (Gibraltar) Limited has turned down a travel delay and missed departure claim she made on a travel insurance policy.

What happened

Miss T was abroad on a multi-centre holiday. She was due to fly from a country I'll call P to a country I'll call A on 19 November 2022. And then she was due to fly back to the UK on 21 November 2022.

However, unfortunately, on 18 November 2022, there was a crash at the airport in P. So all flights from and to the airport were delayed and Miss T was delayed in P, missing both her flight to A and her pre-booked flight to the UK. Miss T was able to fly to A on 22 November 2022 and then flew back to the UK on 24 November 2022. She made a claim on her policy for her additional hotel costs and for travel delay benefit.

Admiral turned down Miss T's claim. It said the circumstances of the claim weren't covered by either the travel delay or missed departure sections of the policy. It did acknowledge that it had provided some poor customer service while dealing with Miss T's claim, so it offered her £25 compensation for inconvenience.

Miss T was unhappy with Admiral's decision and she asked us to look into her complaint.

Our investigator thought it had been fair for Admiral to rely on its policy terms to turn down Miss T's claim. And she thought it had already made a fair offer of compensation. So she didn't think Admiral needed to do anything more.

Miss T disagreed and so the complaint's been passed to me to decide.

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, whilst I'm very sorry to disappoint Miss T, I don't think it was unfair for Admiral to turn down her claim and I'll explain why.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the policy terms and the circumstances of Miss T's claim, to decide whether I think Admiral has treated Miss T fairly.

I've first considered the policy terms and conditions, as these form the basis of Miss T's contract with Admiral. As the investigator explained, no travel insurance policy covers every eventuality. It's for an insurer to decide what risks it does and doesn't want to cover and what price it thinks it needs to charge to cover that risk. An insurer must set out the policy terms in a clear, fair and not misleading way.

As Miss T's return journey from A to the UK was delayed by around three days, I think it was reasonable and appropriate for Admiral to consider the claim in line with Section 5 – Travel Delay and Missed Departure. I've set out what I consider to be the key terms below:

'What is covered

Missed international departure (outbound or return journey)

*We will pay up to the policy limits shown in your policy schedule to cover reasonable expenses for additional accommodation and travel if you fail to arrive at your **point of international departure** in time to board your pre-booked aircraft, ship or train as a result of:*

- *failure or delays to **scheduled public transport in which you are travelling**. (This includes domestic connecting flights that take you to the international departure point but excludes taxis)*
- *an accident or breakdown of the vehicle in which you were travelling*
- *an accident or breakdown happening ahead of you on a motorway or dual carriageway which causes an unexpected delay*
- *strike, industrial action or adverse weather conditions.*

Delayed international departure (outbound or return journey)

*We 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 if you have travelled to the airport and checked in and as long as you eventually go on the trip.*** (Emphasis added).

In my view, Admiral has clearly set out the specific list of insured events it's chosen to cover under this section in a fair and not misleading way. Having considered the circumstances of Miss T's claim, Admiral didn't think it was covered by the policy terms. So I've thought carefully about whether I think this was a fair conclusion for Admiral to draw.

It's common ground that Miss T's return flight from A to the UK was delayed as a consequence of the crash which had unfortunately taken place in P on 18 November 2022. As a result of the crash, all operations at the airport were suspended. This caused Miss T's departure from P to A to be delayed, with a knock-on impact on her planned return to the UK. It's clear that the delay to Miss T's return was entirely outside of her control and I appreciate that this must have been a very worrying time for her.

However, I don't think I could fairly find that Miss T's claim falls within the scope of missed international departure cover. I accept that she arrived at the point of international departure in A too late to board her pre-booked flight to the UK. However, I think Admiral has set out the insured reasons which would lead it to cover a missed departure claim.

The missed departure terms require a policyholder to have been travelling *in* a form of public transport at the point they were delayed. In my view, this would mean for example, a late-running bus causing a delay in arriving at an international airport, or the delayed landing of a domestic flight causing a policyholder to miss their international flight. This wasn't the case in Miss T's circumstances. This incident causing the delay occurred the day before she was due to depart from P and three days before she was due to leave the point of international

departure at A. It seems to me then that not only do Miss T's circumstances not meet the contract terms and conditions, but nor were the terms and conditions intended to cover her situation.

So in the circumstances, while I appreciate Miss T incurred additional accommodation costs as a result of the delay she experienced in returning to the UK, I don't think it was unfair for Admiral to conclude that these costs weren't covered.

Next, I've thought about whether Admiral fairly turned down Miss T's claim for travel delay benefit. Travel delay cover only applies to the outbound or return journey. In this case, that means the policy only covers Miss T's pre-booked return flight to the UK, as she'd originally planned to spend a few days in A. The relevant Insurance Product Information Document - which provides an at-a-glance summary of the main policy features and benefits - also clearly states that travel delay cover only applies to the first outbound international journey from the UK and final return flight to the UK. So I think the policy documentation makes it sufficiently clear that Miss T wouldn't be covered for any delay to her outbound flight from P to A.

As I've set out above, I think Admiral has clearly explained the specific insured events it covers under travel delay. I don't think I could fairly class the suspension of airport operations as falling within any of those listed events. But even if I were to treat the crash in P as a mechanical breakdown which then delayed Miss T's return from A to UK, it's clear that Miss T didn't travel to the airport in P. And it doesn't appear that she was able to check-in for her original flight in A. I understand why Miss T didn't travel to the airport in P, given operations were suspended. But in the round, I simply don't think it was unfair for Admiral to conclude that her claim wasn't due to an insured event and therefore, wasn't covered by the policy terms.

This means that whilst I sympathise with Miss T's position, I don't think Admiral acted unfairly when it turned down her claim. And I don't think there are any reasonable grounds upon which I could direct Admiral to accept and pay it.

Admiral accepts that it didn't provide the level of service it could have done. And it offered to pay Miss T £25 compensation to reflect this. Based on all I've seen, I don't think there's evidence to show that there were unreasonable delays in handling this claim or that it caused Miss T avoidable, material distress and inconvenience. So I think Admiral's offer of compensation is fair and reasonable and I'm not telling it to pay anything more.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 2 January 2024.

Lisa Barham
Ombudsman