

## The complaint

X has complained that U K Insurance Limited (UKI) declined a claim he made on the travel insurance policy linked to his bank account.

## What happened

X had been on a trip to Europe, travelling with his son. Their return journey involved catching an evening train home after arriving back in the UK. However, due to strike action, part of the journey was cancelled and the train terminated at an earlier station. They had to stay the night in the town where the train terminated and caught the first available train the next morning. As they were delayed by approximately eight hours, X made a claim for the delay benefit offered under the 'Missed, Delayed or Abandoned Departure' section of the policy.

UKI declined the claim on the basis that the circumstances were not covered under the policy terms.

Our investigator thought that UKI had acted reasonably in declining the claim. X disagrees with the investigator's opinion and so 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.

I've carefully considered the obligations placed on UKI by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for UKI to handle claims promptly and fairly, and to not unreasonably decline a claim. Having done so, I've decided not to uphold the complaint and I'll explain why.

Under the 'Delay Benefit' section of the policy, it states:

*'We will pay £10 per insured person after the first two hours and an additional £10 every following four hours up to a limit of £250 if you have arrived at your point of departure or connection and your pre-booked aircraft, ship or train is delayed. You must have already checked in.'*

X returned to the UK via the Eurostar. Based on the available information, his Eurostar train arrived in London at 8.30pm. He's provided evidence that he had pre-booked a train home that was leaving London at 8.39pm, but it was an open ticket that allowed travel on any off-peak train. He caught the 9.30pm train but, as already mentioned, this wasn't going all the way to his hometown.

UKI declined the claim on the basis that the train journey was cancelled, not delayed. X says that whether the train was cancelled or delayed is immaterial. I appreciate X's strength of feeling about this because the train being cancelled certainly resulted in them being extremely delayed in getting home. The question is, was what happened to them an insured event under the policy terms.

Insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. The test then is whether the claim falls under one of the agreed areas of cover within the policy.

The train schedule had been changed due to strike action. The train journey that X undertook was not delayed. It left London on time and, as far as I'm aware, it arrived at its destination on time. The problem was that its destination fell short of X's hometown and the onward journey had been cancelled.

X argues that, under the '*Missed, Delayed or Abandoned Departure*' section of the policy, it is set out that someone is covered if they are delayed for more than two hours after check in. He feels that the inbound journey should be viewed as one continuous trip and, as he had 'checked in' at the beginning of his inbound journey in Europe, and ended up waiting for transport, the claim should be paid.

However, even if it was considered that he had checked in at the start of the return journey, we come back to the point that his train was not delayed, it was cancelled.

X has said that, by the same logic, a claim for the second leg of a plane journey could be declined, as long as the second plane had been cancelled. I agree that, given the same scenario but with planes rather than trains, the outcome would likely be the same.

Overall, looking at the policy wording set out above, I'm satisfied that the scenario isn't one that is covered under the 'Delay Benefit' section of the policy. Therefore, it was reasonable of UKI to decline the claim.

I've also looked at the remainder of the policy wording, to see if there were any other sections under which the claim could be considered. However, the circumstances they found themselves in do not fall within the scope of the wider policy terms.

### **My final decision**

For the reasons set out above, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 15 February 2024.

Carole Clark

**Ombudsman**