

The complaint

Mr M has complained that Zurich Insurance Company Ltd declined a claim he made on a travel insurance policy.

The complaint involves the actions of the claim administrators, acting on behalf of Zurich. To be clear, when referring to Zurich in this decision I am also referring to any other entities acting on its behalf.

What happened

Mr M was on a trip abroad that began on 2 June 2024 and ended on 14 June 2024. The itinerary included stays in two countries. On 9 June 2024 he missed his flight to the second country due to the train to the airport failing to show up. He therefore made a claim for additional costs.

Zurich declined the claim on the basis that the circumstances are not covered under the policy terms.

Our investigator thought Zurich had acted reasonably in declining the claim, in line with the policy terms and conditions. Mr M disagrees 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 Zurich by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for Zurich to handle claims promptly and fairly, and to not unreasonably decline a claim.

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.

Zurich declined the claim on the basis that the missed departure didn't happen on the outbound or return journey.

Looking at the policy terms, under: '*Section 3 – Missed Departure*', it states there is cover for:

'Up to the amount shown in the summary of cover on pages 11-13 for additional accommodation room only. not including food. drink and telephone expenses) and travel expenses necessarily incurred if you cannot reach the departure point of any part of your outward or final return journey which is due to commence within 36 hours after the departure date and time of the start of your outward or return journey as a result of:

l) The failure of scheduled public transport due to poor weather conditions. or strike or industrial action.'

Mr M doesn't know why the trains were cancelled and station staff were unable to verify the reason. As the policy only provides cover where there has been poor weather, strike or industrial action, there's a possibility that the claim wouldn't have been covered anyway.

Regardless of that, I've considered the reason that Zurich has given for declining the claim.

Mr M says he can't see any condition that limits an outward journey to one from the UK.

Looking at the policy terms again, under '*General policy information*', it states:

'Period of insurance

Your trip must begin and end in your home country.....'

Given that a trip must begin and end in the policyholder's home country, it makes sense that the outward leg of a journey means the journey from a UK departure point and I don't consider that the term needs defining further. This could include connecting flights for someone to reach their final destination, subject to them taking place within the 36 hours timeframe set out in the policy wording.

Mr M had left the UK on 2 June 2024. So I'm not persuaded that the flight he missed on 9 June 2024 was an outward flight. It was also not a connecting flight that took place within 36 hours of his outward departure time. It was also not the start of his final return journey. Rather, it was a standalone flight in the middle of his trip.

Mr M often travels to multiple countries as part of a single trip, purchasing worldwide cover for that purpose. So, he thinks it is unfair that all flights on such a trip aren't covered.

Insurers are entitled to set limits on the risks they are willing to cover. We wouldn't generally conclude that it would be unfair for them to do so. What might be unfair is if those limitations aren't made sufficiently clear. Mr M says he had a reasonable expectation, based on the policy wording, that this scenario would be covered. However, looking at the above policy wording, I'm satisfied that Zurich has clearly set out the restrictions relating to missed flights and I disagree with Mr M that the term is ambiguous.

Having purchased a worldwide policy, Mr M is covered for travel in all geographical locations. But that is still subject to the wider policy terms and conditions. As already mentioned, insurance policies aren't designed to cover every eventuality.

Mr M has mentioned that he had a previous claim declined, which he considers to show a pattern of poor practice by Zurich. I can't comment on any previous claim and my consideration of this complaint is confined to whether Zurich has acted fairly and reasonably in declining this claim.

I have a great deal of sympathy for Mr M's situation. He missed a flight through no fault of his own and is out of pocket as a result. The question is whether those circumstances are covered under the policy terms, and I'm afraid to say that they are not.

I'm sorry to disappoint Mr M. However, I consider that Zurich acted reasonably in declining the claim, in line with the policy terms and conditions.

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 Mr M to accept or reject my decision before 20 March 2025.

Carole Clark
Ombudsman