

The complaint

Mr and Ms H complain that Astrenska Insurance Limited declined their claim against their travel insurance policy. Reference to Astrenska includes its agents.

What happened

Mr and Ms H planned a family trip and bought a single trip travel insurance policy underwritten by Astrenska. The first flight of their outward journey was delayed by three hours, which meant they missed their connecting flight to their destination. The airline arranged an alternative flight and I understand Mr and Ms H and their family arrived at their destination a day late. The accommodation provider had cancelled Mr and Ms H's booking as they hadn't checked in as planned. Mr and Ms H found alternative accommodation which cost much more than their planned accommodation.

Mr and Ms H made a claim against their policy in relation to the additional accommodation costs they paid. Astrenska considered their claim under the '**Missed Departure and Connection Outside the UK**' section of the policy. It said as Mr and Ms H hadn't paid in advance for their accommodation, the expenses they incurred aren't additional so weren't covered by the policy. Mr and Ms H didn't accept that and pursued their complaint.

One of our Investigators looked at what had happened. He didn't recommend the complaint be upheld. The Investigator didn't agree with Astrenska's contention that Mr and Ms H's claim wasn't covered because they hadn't paid in advance for their accommodation. But he went on to look at the policy terms and said what happened here wasn't covered by the policy. The Investigator also said Astrenska had excluded claims for anything not specifically covered in the various sections of the policy. He didn't ask Astrenska to settle the claim.

Mr and Ms H didn't agree with the Investigator. They said they suffered loss even though they weren't at fault. Mr and Ms H say they took out insurance because they thought it covered them if anything goes wrong and they weren't aware that Astrenska chooses what to cover. Mr and Ms H asked why Astrenska doesn't cover hotel costs at the final destination.

The Investigator considered what Mr and Ms H said but didn't change his view. Mr and Ms H asked that an Ombudsman consider the complaint, so it was 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.

I've taken into account the law, regulation and good practice. Above all, I've considered what's fair and reasonable. The relevant rules and industry guidance say Astrenska should

deal with claims promptly and fairly and must act to deliver good outcomes for retail customers.

I understand Mr and Ms H's frustration in the circumstances that arose here: through no fault of their own they incurred significant, additional accommodation costs. I need to decide whether Astrenska acted in accordance with the terms and conditions of the policy and fairly and reasonably in declining Mr H and Ms H's claim.

The starting point is the terms and conditions of the policy. As the Investigator explained, insurance policies don't cover everything that could go wrong during a trip. An insurer, Astrenska in this case, will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. It is entitled to do that. The onus is on Mr and Ms H to show the claim falls under one of the agreed areas of cover in the policy.

I don't think Astrenska was right to say Mr and Ms H's claim isn't covered by the policy because they hadn't paid in advance for their planned accommodation costs so the amounts they paid weren't additional. There's nothing in the policy that requires Mr and Ms H to pay in advance for their planned accommodation costs in order to make a successful claim for delay. But that's not the end of the matter. When we consider complaints like this one, we look at the terms and conditions of the policy in their entirety, as they set out the rights and obligations between the parties. We don't confine our consideration to the terms either party have relied on to date.

Mr and Ms H claim additional accommodation costs incurred as a result of delay. They have provided evidence that the delay was '*...due to a shortage of staff in the airport*'. The question for me to decide is whether that's something covered by the policy. I don't think it is and I'll explain why.

In the section of the policy headed '***Missed Departure and Connection Outside the UK – If you miss your connection***', there's cover for additional accommodation costs if there's a missed departure or connection outside the UK due to one of the following reasons.

1. ***Delay or cancellation of public transport due to:***
 - a. *Industrial action*
 - b. *Bad weather not including anything listed as a **natural catastrophe***
 - c. *Mechanical fault or transportation including bird strikes*
 - d. *Shortage of crew*

[...]

There's an exclusion in the policy for anything '*...not listed under "If this happened" under each section*', so for anything not specifically covered in the policy.

'Crew' isn't defined in the policy, so I've proceeded on the basis of the ordinary, natural meaning of that word. The Oxford dictionary defines 'crew' as '*all the people working on a ship, plane, etc.*' I don't think 'crew' includes the airport staff: I think it's limited to the people who work on the plane. Shortage of staff in the airport isn't something Astrenska agreed to cover in the policy. I've also looked at the other sections of the policy and what happened here isn't covered.

I've gone on to consider whether that produces a fair outcome in this case. As I've said above, in general terms, insurers are entitled to decide what risks they are willing to cover and Astrenska didn't decide to cover delay due to shortage of staff in the airport. There's also an exclusion in the policy for anything it hasn't decided to cover. I'm sorry to disappoint Mr and Ms H but there are no grounds on which I can fairly direct Astrenska to settle their

claim. I don't think Astrenska acted unfairly or unreasonably in declining the claim, albeit for a different reason than the one they gave to Mr and Ms H.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Ms H to accept or reject my decision before 6 May 2025.

Louise Povey
Ombudsman