

The complaint

Mr and Mrs W complain about how Zurich Insurance Company Ltd dealt with a claim against a personal accident and business travel insurance policy. Reference to Zurich includes its agents. Mr W has led the claim and complaint but I'll refer to both Mr and Mrs W.

What happened

In December 2024, Mr and Mrs W were on a trip with their family and were delayed on their return journey. They made a claim against the policy. Zurich accepted the claim. It rounded the delay up to 10 hours and paid travel delay benefit of £75 an hour for six hours for each claimant. Mr and Mrs W complained about that. They said Zurich should pay for 10 hours delay. Zurich said it had calculated the settlement correctly. Mr and Mrs W were not happy with Zurich's response and pursued the complaint.

Essentially, Mr and Mrs W say the policy wording is ambiguous and Zurich should pay for 10 hours delay. They say the four hours mentioned in the policy schedule is a qualifying period, not an excess. Mr and Mrs W say other insurers pay benefit for the total delay, including the qualifying period. They refer to another part of the policy which they say states the four hour qualifying period is an excess. Mr and Mrs W want Zurich to pay the balance of their claim.

One of our Investigators looked at what had happened. He thought Zurich had dealt with the claim in accordance with the policy terms. Mr and Mrs W didn't agree with the Investigator. Mr and Mrs W maintain that Zurich should pay travel delay benefit for the full 10 hours delay. They say business travel policies underwritten by other insurers are clear about only paying benefit after a qualifying period.

Mr and Mrs W say Zurich is explicit about only paying benefit after four hours in a different part of the policy (***Travel Delay Caused by Natural Catastrophe***). They say where the policy refers to payment *'after'* a number of hours, it relates to a qualifying period but where the policy says *'...in excess of...'* a number of hours it means there's no compensation payable for the initial period. Mr and Mrs W say ambiguity should be interpreted in their favour.

The Investigator considered what Mr and Mrs W said but didn't change his view. Mr and Mrs W asked that an Ombudsman consider their 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.

It's clear Mr W in particular has strong feelings about this matter. He's provided detailed submissions to support the complaint. I've read through all this carefully and taken it all into consideration when making my decision. I trust neither Mr W nor Mrs W will take as a

discourtesy that I concentrate on what I think is the central issue in the case, that is, whether Zurich treated them fairly and reasonably in its settlement of their claim.

I've taken into account the law, regulations and good practice. Above all, I've considered what's fair and reasonable. The relevant rules and industry guidance say Zurich has a responsibility to handle claims promptly and fairly. I don't uphold this complaint and I'll explain why.

- As Mr and Mrs W are aware, this sort of policy isn't designed to cover every eventuality or situation. An insurer, Zurich in this case, will decide what risks it's willing to cover and on what terms and set these out in the policy documentation. In general, and as long as they act fairly, insurers can decide which risks they wish to accept and the terms on which they're willing to do so.
- The relevant part of the policy terms provides as follows:

'Travel Delay

*If the departure of a **conveyance** on which an **insured person** is booked to travel in order to get to their planned destination at the commencement, onward connection or completion of a **journey** is delayed due to strike, industrial action, adverse weather conditions, technical issues or mechanical breakdown **we** will pay the **insured person** the amount stated in the schedule.'*

The relevant part of the policy schedule says:

<i>'Travel Delay</i>	<i>The amount payable is £75 per hour or part thereof after four hours up to a maximum of £750.'</i>
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- I don't agree with Mr and Mrs W that the policy schedule is unclear. I've taken into account what I consider to be the ordinary, everyday meaning of the words as well as the context. The travel delay benefit is payable after four hours delay and doesn't include the first four hours delay. I think Zurich settled the claim in accordance with the policy terms.
- I think there may have been some confusion about the meaning of 'excess'. An excess is the first part of a claim the policyholder has to pay. That's not applicable here as the travel delay payment is a benefit, not reimbursement for an insured financial loss. I agree with Mr and Mrs W that there's no excess here. But it remains the case that the travel delay benefit isn't payable for the first four hours delay.
- Mr and Mrs W have referred to the part of the policy headed '**Travel Delay Caused by Natural Catastrophe**' which they say states the four hour qualifying period is an excess. The reference to '*...in excess of...*' in the section to which they refer means '*more than*' and doesn't refer to an excess payable by the insured. For the purposes here, I don't think there's any significant difference between '*...in excess of ...*' and '*...after...*'.
- I've considered the relevant parts of the documentation provided by Mr and Mrs W in relation to travel delay benefit offered by other insurers. I think it shows it's not unusual for travel benefit to cover only part of any delay. As Mr and Mrs W said themselves, the terms and conditions offered by other insurers are somewhat irrelevant as their dispute is with Zurich.
- Zurich assessed their claim correctly under the '**Travel Delay**' provisions, which I've found are clear. The fact that travel delay benefit is expressed slightly differently

either elsewhere in the policy or by other insurers doesn't mean the '*Travel Delay*' provisions applicable here are unclear or ambiguous.

- I've gone on to decide whether a fair and reasonable outcome in this case requires Zurich to settle the claim on different terms than those set out in the policy. I don't think it does. I think Zurich acted fairly and reasonably in assessing the claim against the policy terms. There are no grounds on which I can fairly ask Zurich to do more.

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 W and Mrs W to accept or reject my decision before 3 December 2025.

Louise Povey
Ombudsman