

The complaint

Mr and Mrs H complain that U K Insurance Limited (UKI) declined their claim against a travel insurance policy. Reference to UKI includes its agents.

What happened

Mr and Mrs H have travel insurance as a benefit of a current account. They planned a four-night trip but their outward train was cancelled the evening before their planned departure. There were no suitable alternative trains so Mr and Mrs H arranged an alternative flight to their destination.

Mr and Mrs H made a claim against the policy in relation to their additional travel costs. UKI declined the claim. It said what happened here wasn't covered by the policy because Mr and Mrs H were advised of the cancelled train the day before travel. Mr and Mrs H didn't agree and pursued their complaint. They say UKI hasn't applied the terms of the policy correctly. Mr and Mrs H want UKI to settle their claim.

One of our Investigators looked at what had happened. She didn't think UKI had acted unfairly when it declined Mr and Mrs H's claim. The Investigator said Mr and Mrs H's train was cancelled, not delayed. So, what happened here wasn't covered by the policy.

Mr and Mrs H didn't agree with the Investigator. They say they provided UKI with evidence of delay before their train was cancelled. Mr and Mrs H say the impact on them is the same as if their train was delayed, then cancelled. The Investigator considered what Mr and Mrs H said but didn't change her view. Mr and Mrs H asked that an Ombudsman consider their complaint, so it was passed to me to decide.

My provisional decision

On 8 December 2025, I sent both parties my provisional decision in this case in which I indicated I didn't intend to uphold the complaint. I said:

'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 UKI has a responsibility to handle claims promptly and fairly and must act to deliver good outcomes for retail consumers. I don't intend to uphold this complaint and I'll explain why.

- *Travel insurance isn'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. In general, and as long as consumers are treated fairly, insurers can decide which risks they wish to accept and the terms on which they're willing to do so.*
- *The onus is on the consumer to show the claim falls under one of the agreed areas of cover within the policy. The relevant part of the policy says as follows:*

'Missed, Delayed or Abandoned Departure

This section provides cover if:

[...]

- **You** choose to abandon your trip following a delay of 12 hours or more (six hours for a trip of four nights or less).

You are covered for

[...]

Abandoned Departure (outbound only)

We will pay up to £5,000 for each **insured person** for their portion of the **trip** costs if **you** choose to abandon **your trip** on **your** outward journey at **your point of departure** because your pre-booked [...] train is:

1. Delayed by more than 12 hours (6 hours for a **trip** of four nights or less) beyond the departure time shown on **your** travel ticket on **your** outward journey.
2. Cancelled following a delay and **your** transport operator is unable to provide **you** with a replacement from **your point of departure** within 12 hours of the original departure time on **your** outward journey.

This includes the cost of:

- Deposits
- Commercially operated accommodation and travel costs.
- Car hire
- Excursions and activities
- Kennel, cattery, professional pet sitter costs.
- Car parking charges
- The value of used points or miles if **you** booked **your** flight or accommodation using Avios or a similar promotional scheme.

If **you** choose to travel to **your** destination another way, **we** will cover the extra costs or the cost to abandon **your trip**, whichever is lower.'

'The policy defines '**Point of departure**' as 'The airport, port or station from which **you** leave or to which **you** return during **your trip**.'

- Mr and Mrs H had advanced notice of the cancelled train. They were not at their point of departure when they decided to travel to their destination another way. So, what happened here isn't covered by the policy. I've considered whether that leads to a fair outcome in this case.
- Mr and Mrs H are right to point out that where there's cancellation but no delay we generally consider the ultimate impact of the situation on the consumer. If Mr and Mrs H were unable to arrange alternative train travel within a reasonable time of the original train departure, then the impact of the situation on them is the same as if the original train was delayed, then cancelled. But that's not the determining issue here.
- Travel policies like the one here don't generally cover scenarios where there's advance notice from the travel provider that the train has been cancelled. Mr and Mrs H's cancelled train was due to depart at 10.31am on the first day of the trip. They received notice of the cancellation at 6.54pm the day before. In the particular circumstances of this case, I don't think it would be fair and reasonable to direct UKI to cover what happened here. That's because UKI didn't choose to cover the risk of abandoned trips due to cancelled trains where there's notification of the cancellation before the insured are at the point of departure.

- *I'm sorry to disappoint Mr and Mrs H but I think UKI declined their claim in accordance with the policy terms and, for the reasons I've explained, there are no grounds on which I can fairly direct UKI to settle their claim outside the policy terms and conditions.*

Response to my provisional decision

Mr and Mrs H responded to say they planned to start their trip at their local railway station, which is in the vicinity of their home, so they were effectively at their point of departure when they received notification of the cancelled train. They say the policy doesn't mention advanced notice of cancellation, so the timing of notification of the cancellation shouldn't invalidate the claim.

Mr and Mrs H say if it's not accepted they were at their departure point when they decided to abandon their departure, the policy wording suggests that if they'd travelled to the station from which their cancelled train was due to depart, their claim would have been accepted. They say it's unreasonable to expect them to make a pointless journey in order for their claim to be valid. Mr and Mrs H believe it's reasonable for UKI to settle their claim

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.

Mr and Mrs H's home isn't their point of departure, as defined by the policy. The central point here is that Mr and Mrs H didn't abandon their trip at the point of departure. The policy wording doesn't refer to when notice of cancellation was received; it refers to abandoning a trip at the point of departure following delay or cancellation after delay. That's not what happened here.

In this case, I'm looking at whether UKI acted fairly and reasonably in declining the claim Mr and Mrs H actually made, not whether a claim in different circumstances would have been settled. But I can say that a claim arising in the circumstances Mr and Mrs H describe – travelling to the point of departure after they had been told their departing train had been cancelled and notionally abandoning the trip there - would be unlikely to be successful. That's because UKI could reasonably conclude that the decision to abandon the outward journey was actually made before they arrived at their point of departure.

The circumstances which led to the claim are not covered by the policy terms. I've considered what Mr and Mrs H have said but I don't think it would be fair and reasonable to direct UKI to settle their claim outside the policy terms. That's because UKI didn't choose to cover the risk of abandoned trips due to cancelled trains where the decision to abandon the outward journey is made somewhere other than the point of departure, as defined by the policy.

I find no basis on which to depart from my earlier conclusions. For the reasons I've explained, I don't think that UKI acted unfairly or unreasonably in declining Mr and Mrs H's claim.

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 Mrs H and Mr H to accept or reject my decision before 3 February 2026.

Louise Povey
Ombudsman