

## The complaint

Mr and Mrs G complain about how Red Sands Insurance Company (Europe) dealt with a claim against their travel insurance policy. Reference to Red Sands includes its agents.

## What happened

Mr and Mrs G bought a single-trip travel insurance policy underwritten by Red Sands to cover a trip. On their return journey, their final train was cancelled by the travel provider. As a result, they incurred additional accommodation and other expenses before returning home a day later.

Mr and Mrs G made a claim against their policy in relation to their additional costs. Red Sands paid the benefit due under the '**Travel Delay**' section but declined the claim for '**Missed Departure**'. It said it had assessed the claim correctly and that the '**Missed Departure**' section relates to only an outward journey, not a return journey. Mr and Mrs G didn't think that was fair and pursued their complaint.

Mr and Mrs G say Red Sands' settlement of their claim is inconsistent with the policy terms. They say the policy's definition of '**international departure point**' includes both the outward journey and the point of departure for the final part of the return home. Mr and Mrs G say they were misled and believed the policy covered missed departures for the entire trip. They say they were not informed that the policy does not cover missed return departures and expected more from their '**Gold Cover**'. They want Red Sands to settle their claim and to change the policy to cover missed departures for the entire trip.

One of our Investigators looked at what had happened. She said Red Sands had dealt with Mr and Mrs G's claim in accordance with the policy terms and had acted fairly. Mr and Mrs G didn't agree. They said that the policy terms relating to missed departure are unclear and contradictory and that '**international departure point**' can reasonably be understood to include a return journey.

The Investigator considered what Mr and Mrs G said but didn't change her view. Mr and Mrs G 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.

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 Red Sands has a responsibility to handle claims promptly and fairly and must act to deliver good outcomes for retail consumers.

It is helpful to explain the role of this service. We do not regulate or punish businesses for their conduct – that is the role of the Financial Conduct Authority (FCA). We also cannot

require businesses to change their policies or procedures. Instead, we resolve individual complaints between consumers and businesses. So, I cannot direct Red Sands to change its policy, but I can consider whether it has acted in line with the policy terms and treated Mr and Mrs G fairly and reasonably.

Insurance policies are not designed to cover every eventuality or situation. Insurers decide what risks they are willing to cover and set these out in the policy terms. We look at the written terms, rather than the product name, such as 'Gold Cover'. As long as consumers are treated fairly, insurers can decide what risks they wish to cover. 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 is as follows:

**'Missed Departure**

**We will pay up to the amount shown in the schedule of cover:**

*for necessary travel and accommodation expenses required to reach **your** booked destination, if the vehicle in which **you** are travelling to **your international departure point** becomes undrivable due to mechanical failure or being involved in an accident or **your public transport** is delayed, preventing **you** from being able to check-in on time for **your outward departure from the United Kingdom [...]***

Mr and Mrs G say the policy's definition of '**international departure point**' includes the point of departure for the final part of the return journey. I don't agree that definition determines the outcome here. Even though the policy definition of '**international departure point**' includes both the outward and final return journey, this does not override the fact that the '**Missed Departure**' section refers specifically to the outward departure from the UK and to travel to '**your booked destination**'. I think it is clear that the '**Missed Departure**' provisions apply only to the outward departure.

Mr and Mrs G say they were misled. Red Sands did not give them advice about the sale of the policy, but it was required to provide information that is clear and not misleading. As I've said above, I think the policy term is clear. In addition, the Insurance Product Information Document (IPID), which summarises the main cover says:

**'Missed departure – Up to £500**

*Cover for additional travel and accommodation costs if you arrive too late to travel on your booked transport from the UK due to reasons specified in the policy'*

I think Red Sands acted in accordance with the policy terms when settling Mr and Mrs G's claim. I have considered what Mr and Mrs G have said, but there are no grounds on which I can fairly and reasonably ask Red Sands to settle the claim outside the policy terms in this case.

**My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G and Mr G to accept or reject my decision before 10 April 2026.

Louise Povey

**Ombudsman**