

The complaint

Mr A is unhappy that Astrenska Insurance Limited trading as Collinson Insurance declined a claim he made on his travel insurance policy.

Mr A is represented but I'll refer to all submissions as being made by him.

What happened

Mr A hired a 125cc moped whilst on holiday. Unfortunately, he sustained a serious injury to his leg which required hospital treatment and surgery.

Mr A contacted his insurer for assistance. His claim for medical assistance was rejected because Astrenska said Mr A hadn't complied with the relevant policy terms. Mr A complained to Astrenska but they maintained their decision to decline the claim. Unhappy, Mr A complained to the Financial Ombudsman Service.

Our investigator looked into what had happened and didn't uphold the complaint. She was satisfied the claim had been fairly declined, in line with the relevant policy terms. She said it was Mr A's responsibility to ensure that he had the correct licence requirements for the moped he hired.

Mr A didn't agree and asked an ombudsman to review the complaint. In summary, he said that the policy terms weren't clear and were open to interpretation. He felt this was a real injustice and reiterated that he thought he had the correct documentation, or he'd have never hired the moped.

So, the case was passed to me to make 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.

The relevant rules and industry guidelines say that Astrenska has a responsibility to handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

The Insurance Product Information Document (IPID) says there is no cover for:

Riding a motorcycle above 125cc or where you don't have a full licence or valid CBT certificate (DL196), are not following the local safety laws or riding on recognised roads. Quad bikes, ATV's or electronic scooters are not covered at any time.

The policy terms and conditions set out in more detail the cover for riding a moped under the 'Sports and Activities' section of cover. It says there is cover for:

- Mopeds (maximum 125cc, and passed CBT training, wearing a helmet)
- Motorcycling (maximum 125cc, and passed CBT training, wearing a helmet).

Mr A's UK driving licence which permits a person to ride a scooter up to 50cc without completing Compulsory Basic Training (CBT). In order to ride a moped or motorcycle of up to 125cc he would need to complete the CBT course and obtain a DL196 certificate.

There's no dispute Mr A was riding a moped which was 125cc or that he'd not completed CBT training. Mr A says he thought, based on the policy wording, that he didn't need a full driving licence and CBT. So, he thought his licence alone was sufficient.

The IPID offers a summary of cover and highlights the relevant exclusion. More information about the exclusion was available in the policy terms. They said, 'maximum 125cc, and passed CBT training, wearing a helmet' in relation to both mopeds and motorcycling (my emphasis). So, I think the policy terms do set out what was required and that this is sufficiently clear.

I've considered what Mr A has said about the wording referring to having a full UK licence or valid CBT certificate. But, as I've outlined above, the specific section on mopeds does set out the requirements. And the terms also need to take account of a range of different scenarios regarding what's required of a policyholder to ride a moped or motorcycle abroad. So, this point hasn't changed my thoughts about the overall outcome of this complaint.

I also bear in mind that Mr A wouldn't have been able to drive a moped of over 50cc without the CBT in the UK. So, I think this also ought reasonably to have prompted him to check his cover, and the policy requirements if he wasn't sure.

I know that my decision will come as a significant disappointment to Mr A and his family. It's clear that they've had a very difficult time as a result of the stress and worry this situation has caused them. I have a lot of empathy with their circumstances and the impact that this has had on them. However, in the circumstances of this case, I can't fairly conclude that Astrenska has unreasonably declined to cover the claim.

My final decision

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 27 December 2023.

Anna Wilshaw
Ombudsman