

## The complaint

Mrs S has complained that Inter Partner Assistance SA (IPA) declined a claim she made on a travel insurance policy.

## What happened

Mrs S and her son had a holiday abroad booked to start on 10 September 2023. They arrived at the airport and found out about half an hour before boarding that their flight had been cancelled. The airline booked them onto another flight the next day. The airline also covered the additional costs incurred by Mrs S as a result of the delay. But having missed part of the holiday, Mrs S made a claim for unused costs – that being one night's hotel stay, breakfast, excursions as part of their planned itinerary, plus an additional optional excursion.

IPA declined the claim on the basis that the circumstances were not covered under the policy terms.

Our investigator didn't think IPA had assessed the claim fairly. That's because it used a term in the general exclusions part of the policy to decline the claim but hadn't considered it under the 'Delayed Arrival' part of the policy, which most suited the situation. She recommended that IPA should re-assess the claim under that section and that it should pay £50 compensation for the distress caused in failing to do so originally.

IPA disagrees with the investigator's findings and so the complaint has been passed to me for 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.

I've carefully considered the obligations placed on IPA by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for IPA to handle claims promptly and fairly, and to not unreasonably decline a claim.

Insurance policies aren'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. The test then is whether the claim falls under one of the agreed areas of cover within the policy.

IPA used the following exclusion to decline the claim:

### *'General Exclusions*

*18. Any other loss, damage or additional expense following on from the event for which you are claiming, unless we provide cover under this insurance, this includes any claim for loss of enjoyment for any trip.'*

However, it doesn't seem to have considered assessing the claim under the Delayed Arrival part of the cover, which states:

'If you arrive later than planned at your destination due to a delay of public transport we will pay you up to the amounts shown in the Table of Benefits for each 12 hour period of delay you suffer up to the maximum shown.'

So, I agree with our investigator that it should assess the Delayed Arrival claim now.

In response to the investigator's assessment, Mrs S has re-stated the losses she is claiming for. But, as set out in the clause above, the Delayed Arrival section of the policy provides a defined benefit amount for each 12 hour period of delay. It does not provide cover for any unused expenses, as our investigator has already explained.

I've looked at the remainder of the policy wording, to see if there are any other sections under which the claim for the unused hotel, breakfast and excursions might be covered, however those circumstances do not appear to fall within the wider scope of the policy terms.

IPA should have identified that the circumstances of Mrs S's claim fell under the Delayed Arrival section of the policy and assessed it accordingly. I consider that £50 is an appropriate level of compensation for the distress and inconvenience caused because of this.

### **My final decision**

For the reasons set out above, I uphold the complaint. Inter Partner Assistance SA should re-assess the claim under the 'Delayed Arrival' section of the policy. It should also pay £50 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 19 June 2024.

Carole Clark  
**Ombudsman**