

The complaint

Mr and Mrs S are unhappy that Chaucer Insurance Company Designated Activity Company declined a claim they made on their travel insurance policy.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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 Chaucer has a responsibility to handle claims promptly and fairly. And they shouldn't reject a claim unreasonably.

The policy terms and conditions set out the cover available under the policy. It says:

We will pay up to the amount shown in the table of benefits for the reasonable extra costs of travel and accommodation you incur to reach your booked holiday destination if you cannot reach the final international departure point on the outward or return journey from or to the United Kingdom because:

- public transport services fail due to poor weather conditions (but not including weather conditions defined as natural catastrophe), a strike, industrial action or mechanical breakdown: or
- the vehicle in which you are travelling is directly involved in an accident or suffers a mechanical breakdown (this would not include your vehicle running out of fuel, oil or water or suffering a flat tyre, puncture or flat battery).

I'm upholding Mr and Mrs S's complaint because:

- Mr and Mrs S's flight was cancelled due to a 'technical issue'. They've obtained confirmation from their airline that was the reason for the cancellation. They've also provided consistent and plausible testimony that this was related to an issue with the engine. I've found their evidence to be credible and persuasive.
- I don't think it's reasonable for Chaucer to conclude that this is insufficient to demonstrate an insured event took place. I think, on balance, it's most likely an insured event did take place. And, in any event, I think it would be fair and reasonable to conclude that the reason for the flight cancellation was a mechanical breakdown, caused by a technical fault.
- Mr and Mrs S have tried on a number of occasions to get further information from the airline but haven't been able to do so. I think they've made reasonable attempts to

obtain this information and it's unlikely they'll be unable to get further clarification.

Putting things right

Chaucer needs to put things right by paying the claim under the 'Travel Delay' section, subject to the remaining policy terms and limits.

My final decision

I'm upholding Mr and Mrs S's complaint about Chaucer Insurance Company Designated Activity Company and direct them to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S and Mr S to accept or reject my decision before 19 December 2023.

Anna Wilshaw
Ombudsman