

## **The complaint**

Mrs R and Mr W have complained that Inter Partner Assistance SA (IPA) declined a claim they made on their single trip travel insurance policy.

## **What happened**

In February 2023, Mrs R and Mr W departed the UK on a long flight that involved two stopovers. At the second stopover they were informed that the last leg had been cancelled due to severe weather. The airline paid for one night's hotel accommodation. But they ended up having to remain in the stopover city for an additional four nights at their own expense, due to lack of flight availability. Upon their return to the UK they contacted IPA to make a claim. They would like to be paid out under the delayed departure cover or under the catastrophe cover. However, IPA declined the claim on the basis that the circumstances were not covered under the policy terms – because the policy doesn't cover connecting flights.

In response to the complaint, IPA accepted that there had been delays during the claims process and paid £75 compensation for any distress and inconvenience caused. But it maintained its decision to decline the claim.

Our investigator didn't think the exclusion relating to connecting flights had been made sufficiently clear in the policy documentation. As such, she upheld the complaint and recommended that IPA should settle the delayed departure claim and add 8% simple interest from the date of the initial decline until the date the claim is settled. She also recommended that IPA should pay a further £100 compensation.

IPA disagree with the investigator's opinion 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.

Our investigator has already set out why the circumstances would not be covered under the catastrophe part of the policy, so I won't revisit that again here.

It's up to an insurer to decide what it wants to cover and not cover – as long as it makes that clear in the policy documentation.

As our investigator has said, it's common for travellers to use connecting flights. And so policyholders might reasonably expect that their insurance would provide some benefit for

delays experienced in getting to their final destination, regardless of what stage in the journey that delay occurred.

Not covering connecting flights is an unusual and significant limitation that customers need to know about. Therefore, IPA needed to ensure that this significant limitation was highlighted with sufficient prominence.

Within the policy document, adverse weather conditions is an item in the list of insured peril under the delayed departure section. However, under '*What is not covered*' in the same section it states:

*'2. Claims arising directly or indirectly from:*

- a. Strike or industrial action existing or being publicly announced by the date you purchased this insurance or at the time of booking any trip or one-way trip.*
- b. An aircraft or sea vessel being withdrawn from service (temporary or otherwise) on the recommendation of the Civil Aviation Authority, Port Authority or any such regulatory body in a country to/from which you are travelling.*
- c. Any delays to any subsequent outbound or return connecting public transport following your departure from the final departure point from or to the United Kingdom.*
- d. Volcanic eruptions and/or volcanic ash clouds.*
- e. Missed connections.'*

So, it is item c in the above list that sets out the exclusion in relation to any delays to connecting flights.

However, whilst the full policy document contains this exclusion, the Insurance Product Information Document (IPID), which provides a summary of cover, only states:

*'What is not insured?*

*Departure delay or abandonment*

*X Incidents caused by strikes or industrial action that existed or were being publicly announced by the date you purchased this insurance or at the time of booking any trip or one-way trip.*

*X Volcanic eruptions and/or volcanic ash clouds.*

*X Missed connections.'*

Mrs R and Mr W didn't miss their connection. The second leg of their flight delivered them to the airport in time. It was on arrival that they were informed that the onward flight had been cancelled.

The IPID omits to mention the exclusion about connecting flights. Had it done so, given the nature of their trip, I consider that Mrs R and Mr W would have opted to buy a different policy that provided wider cover.

Due to the shortcomings in the information provided at the point of sale, I agree with our investigator that it would be fair and reasonable for IPA to pay the claim under delayed departure.

## **Putting things right**

IPA should:

- Settle the claim under the delayed departure section of the policy.
- Pay 8% simple interest from the date of the decline until the date the claim is paid.
- Pay an additional £100 for distress and inconvenience.

## **My final decision**

For the reasons I've explained, I uphold the complaint and require Inter Partner Assistance SA to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R and Mr W to accept or reject my decision before 15 March 2024.

Carole Clark

**Ombudsman**