

## **The complaint**

Mr B and Miss M have complained that Inter Partner Assistance SA (IPA) declined a claim they made on a travel insurance policy.

## **What happened**

Mr B and Miss M were on a trip abroad in December 2022 when they had problems with their return journey.

They were taking an internal flight (from city A to city B) and then catching an international flight (from city B to city C) and then onwards to the UK.

The first flight from city A suffered mechanical issues and departed five hours later than planned. As a result, they missed their connecting flight from city B. In the end, they decided to purchase new tickets from city B directly back to the UK. They therefore made a claim on the policy for their additional travel costs.

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

In response to the complaint, it accepted that there had been some poor service and delay, so it paid £100 compensation for the distress and inconvenience caused. However, it maintained its decision to decline the claim.

Our investigator thought that IPA had acted unfairly in declining the claim. So, she recommended that IPA should settle the claim, with the addition of 8% interest.

IPA disagrees 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.

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 declined the claim on the basis that the initial flight was delayed for less than 12 hours and that missed connections are not covered at all under the policy terms.

Looking at the policy terms, they state:

### ***'Section H – Delayed departure***

#### ***What is covered***

*If you have arrived at the terminal and have checked in, or attempted to check in for your prebooked flight, sea crossing, international coach or international train journey from or to the United Kingdom, and in addition for residents of Northern Ireland, any departure point in the Republic of Ireland, and it is:*

- 1. Delayed for more than 12 hours beyond the intended departure time.*
- 2. Is cancelled before or after the scheduled time of departure as a result of any of the following events:*
  - a. Strike or industrial action.*
  - b. Adverse weather conditions.*
  - c. Mechanical breakdown of or a technical fault occurring in the public transport on which you are booked to travel.....*

#### ***What is not covered***

- e. Missed connections.'*

IPA assessed the claim under this part of the policy only. The initial flight was delayed by five hours and so doesn't meet the criteria set out in the above wording. And the section specifically states that missed connections are not covered. I'm therefore satisfied that no benefit would be due under the Delayed Departure part of the policy.

However, I've looked at the remainder of the policy wording to see if there are any other sections under which the claim should have been considered.

The policy goes on to state the following:

### ***'Section I – Missed departure***

#### ***What is covered***

*We will pay you up to £1,000 for reasonable additional accommodation (room only) and travel expenses necessarily incurred in reaching your overseas destination or returning to your home, if you fail to arrive at the departure point (including for residents of Northern Ireland any departure point in the Republic of Ireland) in time to board the public transport on which you are booked to travel on for the initial international outbound and return legs only of the trip as a result of:*

- 1. The failure of other public transport.*
- 2. An accident to or breakdown of the vehicle in which you are travelling.*
- 3. An accident or breakdown happening ahead of you on a public road which causes an unexpected delay to the vehicle in which you are travelling.*

4. *Strike or industrial action or adverse weather conditions.*

*What is not covered*

1. *The first £50 of each and every claim, per incident claimed for, under this section by each insured person, but limited to £100 in total if family cover or single parent cover applies.*

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.*

b. *An accident to or breakdown of the vehicle in which you are travelling when a repairers report or other evidence is not provided.*

c. *Breakdown of any vehicle owned by you which has not been serviced properly and maintained in accordance with manufacturer's instructions.*

d. *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.*

e. *Your failure to arrive at the departure point in time to board any connecting public transport after your departure on the initial international outbound and return legs of the trip.*

f. *Volcanic eruptions and/or volcanic ash clouds (except claims under subsection 1. of What is covered)*

g. *Trips solely within the United Kingdom.*

3. *Additional expenses where the scheduled public transport operator has offered reasonable alternative travel arrangements.*

4. *Anything mentioned In What is not covered - applicable to all sections of the policy.'*

There is a general exclusions section starting on page 19 of the policy document. This does not specifically mention that missed connections aren't covered, although it does state the following:

***'What is not covered – applicable to all sections of the policy***

*We will not pay for claims arising directly or indirectly from:*

18. *Non listed peril*

*Under all sections, any claim arising from a reason not listed under What is covered.'*

In response to our investigator's recommendation that the complaint should be upheld, IPA said that the Missed Departure section was not applicable as Mr B and Miss M did not miss the flight due to not arriving at the initial departure point in time.

My reading of the Missed Departure section is that it provides cover for the initial international return leg of a trip. The flight from city B meets this criteria, the earlier flight from city A having been a domestic flight. There is some ambiguity around this term, so it would be fair to interpret it in Mr B and Miss M's favour.

An insured event under that section is failing to arrive at the departure point due to the failure of other public transport. The definition of 'Public transport' is:

*'means any publicly licensed aircraft, sea vessel, train, coach or bus on which you are booked or had planned to travel.'*

So, I'm satisfied that the flight from city A meets the definition of public transport. And it's been established that the 'failure' of that flight due to mechanical problems was the cause of the missed international flight from the departure point of city B.

IPA further said that the exclusion for missed connections is made clear in the policy document and the insurance product information document (IPID). However, the exclusion for missed connections is only mentioned in the full policy document under the Delayed Departure Section. And it is only mentioned on the IPID under the heading of 'Departure Delay or Abandonment'. There is no mention of missed connections not being covered under Missed Departure.

As our investigator has said, having the failure of public transport as an insured event (which includes flights in its definition) is suggestive that connecting flights are covered.

Connecting flights are a common part of travel these days. Therefore, not covering them is a significant restriction which should be clearly highlighted.

Based on the available evidence, I'm not persuaded that IPA has done enough to highlight the restriction. The policy terms are ambiguous in that the exclusion is mentioned under Delayed Departure only. If IPA doesn't want to cover connecting flights in any scenario, then it should set that out clearly in all of the relevant sections of the policy.

Overall, I think it was unfair that IPA did not consider the claim under the Missed Departure section of the policy. Also, as the exclusion relating to missed connections wasn't sufficiently highlighted as being applicable to the Missed Departure section, it wouldn't be fair to apply that exclusion to Mr B and Miss M's claim.

### **Putting things right**

IPA should put things right by:

- Paying the claim for additional travel expenses
- Add 8% interest from the date it initially declined the claim until the date the claim is paid
- Settle the claim within 28 days of the date of this decision

### **My final decision**

For the reasons I've explained, my final decision is that 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 Mr B and Miss M to accept or reject my decision before 3 January 2025.

Carole Clark  
**Ombudsman**