

The complaint

Mr G has complained that Euroins AD declined two claims he made on an annual travel insurance policy.

The complaint involves the actions of the claim administrators, acting on behalf of Euroins. To be clear, when referring to Euroins in this decision I am also referring to any other entities acting on its behalf.

Mr G is being represented by his mother in making this complaint. However, for ease, I will just be referring to Mr G in this decision.

What happened

Mr G's first claim was for the cost of an unused excursion after a flight he was due to take was delayed and then cancelled.

His second claim was for his quarter share of accommodation costs when the airline cancelled his and his family's flights due to wildfires at the destination.

Our investigator thought it was reasonable for Euroins to decline the claims, in line with the policy terms and conditions. Mr G disagrees 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.

Mr G has talked about the policy being sub-standard and not worth the paper it's written on. It's important to make clear that we're not the industry regulator. We have no power to regulate the financial businesses we cover, nor to direct them to change their processes or procedures. Our role is to investigate individual complaints made by consumers to decide whether, in the specific circumstances of that complaint, a financial business has done something wrong which it needs to put right.

I've carefully considered the obligations placed on Euroins by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for Euroins 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.

Mr G feels strongly that this complaint should be looked at in the wider context of what happened. That is that he bought the policy via an online broker in November 2022. His

parents and brother subsequently bought policies via the same route in July 2023, which they thought were on similar terms. The underwriter of the policy changed between Mr G purchasing it and the rest of his family doing so later. Claim 2 was for a family holiday and the rest of the family's claims were paid out by their insurer, leaving Mr G as the only one whose claim was declined.

These details are informative, and I appreciate the strength of Mr G's feelings. However, the terms of the travel policy have been put into the contract by Euroins and can only be exercised by Euroins. So, what it can and can't do, and whether it acted fairly or not, is the essence of this complaint. The parts played by the broker and the other insurer have no direct bearing on that. To be clear, this decision is only looking at whether Euroins, as the underwriter of Mr G's policy, acted fairly and reasonably in declining the claims.

Claim 1

Mr G was part of a group due to travel on 15 July 2023. After checking in, they were told the flights were delayed by four hours and then that the entire package had been cancelled. They made alternative arrangements to holiday elsewhere, flying out the following day. His claim was for the cost of a pre-booked, non-refundable excursion.

Looking at the policy terms, under the 'Travel delay and abandonment' section, it states:

'If you chose not to, or are able to take advantage of airport lounge access, we will pay you:

1. up to the amount shown in the summary of cover if the international departure of the public transport on which you are booked to travel is delayed by at least 12 hours; or

2. up to the amount shown in the Abandonment section of this policy in the summary of cover if you abandon the trip after a delay to your outward flight, sea crossing, coach or train departure from your home country of more than 12 hours beyond the booked departure time; as a result of:

a) strike or industrial action provided that when this policy was taken out, there was no expectation that the trip would be delayed;

b) adverse weather conditions;

c) mechanical breakdown or technical fault of the aircraft, coach, train or sea vessel.'

Looking at the above wording, I agree with our investigator that Mr G's circumstances aren't covered under the policy as he was delayed for less than 12 hours.

I understand that Euroins provided different reasons in its initial decline and then in its final response letter. However, looking at the policy terms, I'm satisfied that there is no cover under the policy for the unused excursion. On balance, I consider that Euroins acted reasonably in declining this claim

Claim 2

Mr G was due to go on a family holiday on 25 July 2023. On 23 July 2023, they were informed by the airline that the flights had been cancelled due to the wildfires. The cost of the flights was refunded to his mother's original payment method. However, the accommodation had been booked separately and was non-refundable. As Mr G had his own insurance policy, he needed to claim on that for his portion of the costs.

Looking at the policy terms under the 'Cancellation and Curtailment' section, it states:

'What you are covered for

We will pay you up to the amount shown in the summary of cover for the unused portion of your travel and accommodation costs that you have paid or contracted to pay and you suffer a financial loss because you cannot get a full refund if you cancel before the start of your trip or cut your trip short and return home early during the period of insurance because of the following.'

There then follows a list of ten insured perils, none of which relates to wildfires at the destination being a covered circumstance.

Mr G has talked about Euroins hiding behind its terms and conditions. But, having set out in the policy what it is willing to cover, I would say that it has relied on, or abided, by its terms and conditions, to decline the claims.

He's also said that he's made a reasonable claim in asking for his costs back in the circumstances, but that everyone has refused to consider the matter from a reasonable point of view.

I have a great deal of sympathy for Mr G's situation. The family holiday was cancelled due to circumstances outside of his control and he was out of pocket as a result (although, as I understand it, the other insurer settled his part of the costs under his parents' policy as a gesture of goodwill). There's no suggestion that he and his family could have done anything differently.

But in looking at what is reasonable, we look at all sides, not just those of the consumer. As already mentioned, no insurance policy will cover every scenario. The matter at hand then is whether Mr G's circumstances are covered under the policy terms – and I'm afraid to say that they are not. On balance, I'm satisfied that Euroins acted fairly and reasonably in declining the claim, in line with the policy terms and conditions.

Customer Service

Mr G has also complained about the way Euroins spoke to his mother over the phone when she was trying to deal with claim 2. He accepts that she became angry but that was in response to its dismissive attitude.

Under our scheme rules, we can only make awards for distress and inconvenience to eligible complainants, who in this case is Mr G. Whilst his mother has undoubtedly spent a great deal of time and effort in dealing with the complaint, and feels that she has been poorly dealt with, we cannot make awards to third party representatives.

Mr G has mentioned some direct impact on himself with regard to events on the day that claim 2 was declined (22 November 2023). That was a particularly important day at work for him. However, he had to take calls from his mother about getting his written permission for her to act on his behalf and to provide other input. I've concluded that the claim was declined correctly. As there was no error in that respect, it follows that there would be no compensation for the impact of the declined claim. Regardless of that, there was no pressing need for the complaint to be made the same day.

Mr G has also talked about issues with exams and his health. Whilst these things would have been stressful for him, I'm not persuaded that concerns about his mother's dealings with Euroins would have significantly added to that. As his mother was dealing with the

complaint on his behalf, he was largely shielded from any impact if there was poor customer service.

My final decision

For the reasons set out above, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 27 March 2025.

Carole Clark
Ombudsman