

The complaint

Mr L and Ms M have complained that Inter Partner Assistance SA (IPA) declined a claim they made on a travel insurance policy for delayed baggage.

What happened

Mr L and Ms M were due to fly back from a trip abroad on 18 April 2024. They'd checked in their bags when the flight was cancelled due to bad weather, so they had no access to their baggage from that point. They arranged new flights themselves, with a different airline, arriving back on 21 April 24. Although they paid a fee to have their luggage put onto their new flight, it didn't arrive. The bags weren't returned until 25 April 2024.

IPA has settled a separate claim for delayed departure. However, it declined the delayed baggage claim on the basis that the circumstances were not covered under the policy terms.

I wrote a provisional decision earlier this month in which I explained why I was minded not to uphold the complaint. Neither party provided any further comments in response to the provisional 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 baggage delay is not covered on the return journey. The basis for this is, in part, due to the delay occurring after the trip has finished, which is outside the insured period.

The definition of 'insured period' under the policy terms is:

'If Single Trip cover is selected: cover is provided for the period of the trip and finishes when the trip ends, providing the trip doesn't exceed the period shown in the policy schedule. Under these policies you will be covered under Section 1 - Cancelling or cutting short a trip from the time you pay the premium. Maximum trip limit available when purchasing or extending a policy is 31 nights.'

Cover for all other sections applies for the length of each trip. The insurance period is automatically extended in the event that your return to your home area is unavoidably

delayed due to an event covered by this policy, providing you accept alternatives offered and don't intentionally delay your return.'

Mr L and Ms M arrived home on 21 April 2024, so that is when their trip ended and so the insured period also ended.

The policy terms also state,

under 'Section 4 – Personal belongings and money':

'What is covered

We will pay you up to the amount shown in the Table of Benefits for the following items if they are accidentally lost, damaged or stolen whilst on your trip.

- a) Baggage*
- b) Valuables*
- c) Replacement of essential items if lost in transit due to carrier error during the outward journey*
- d) Cash*

The maximum we will pay you for any one item, pair or set of items under this section is shown in the Table of Benefits as the single article limit.

Any claim under point 1b and 1c will be deducted from your baggage limit.'

Also, under 'General exclusions applying to your policy'. It states:

'Your policy does not cover you for any claim directly or indirectly resulting from any of the following:

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

Looking at the above wording, this section only covers baggage if it is lost, damaged or stolen. There is no mention of delayed baggage. It also uses the term: 'whilst on your trip', so I think it's clear that it is referring to insured events that happen before a return home.

Also, as there is a general exclusion in the policy for anything not listed in the 'What's covered' section, I remain satisfied that delayed baggage on a return flight is not covered under this part of the policy.

As I mentioned in my provisional decision, the policy document includes a table of benefits which indicates that delayed baggage is covered. However, I wasn't persuaded that meant it should be covered in this particular instance.

The table doesn't mention that delayed baggage cover only refers to the outbound journey. However, that is a fairly common term within travel policies, therefore, I didn't think it was a significant term that IPA would need to highlight. The intention of the policy is to provide cover against the inconvenience of being abroad without your luggage. Being back in the UK without luggage is significantly less inconvenient.

Again, as I said in my provisional decision, I have a great deal of sympathy for Mr L and Ms M's situation. They faced a lot of disruption on their trip and are out of pocket as a result. Not getting their luggage back upon their return to the UK would have been frustrating and inconvenient. However, the matter at hand is whether that circumstance is covered under the policy terms – and unfortunately it is not.

As neither Mr L or Ms M, nor IPA, made any further submissions, I see no reason to depart from the outcome I reached in my provisional decision. It follows that I do not uphold the complaint.

My final decision

For the reasons set out above, my final decision is that I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L and Ms M to accept or reject my decision before 26 March 2025.

Carole Clark
Ombudsman