

The complaint

Mrs G, Mr G and Mr G1 complain about how Inter Partner Assistance SA (IPA) dealt with a claim against their travel insurance policy. Reference to IPA includes its agents. Mr G1 has dealt with the correspondence in this case, so for ease I'll refer mostly to Mr G1.

What happened

Mr G1 bought a single trip travel insurance policy underwritten by IPA to cover a trip. Mrs G and Mr G are also insured under that policy. Mr G1 says shortly before the departure of one of their return flights, the airline told them, incorrectly, that the flight was cancelled. The airline arranged overnight accommodation and an alternative flight the next morning. Mr G1 says they later found out the flight wasn't in fact cancelled.

Mr G1 made a claim against the policy. IPA sent Mr G1 a settlement letter. It said it had calculated the settlement as £50 per insured person, so £150. That was on the basis of delay of approximately 15 hours.

Mr G1 wasn't content with IPA's decision about the claim and refused the settlement offer. He said they had to arrange another flight for the following day, so what happened here was travel disruption, not travel delay. IPA said what happened here was travel delay, not travel disruption and it had assessed the claim correctly on the basis of approximately 15 hours delay. Mr G1 pursued the complaint.

In its final response to Mr G1, IPA said it hadn't identified any costs incurred by Mrs G, Mr G or Mr G1 and it had assessed the claim correctly. Mr G1 remained unhappy about IPA's settlement of the claim. He wants IPA to pay £4,000 for travel disruption.

One of our Investigators looked at what had happened. She didn't think IPA had acted unfairly or unreasonably in its settlement of the claim. The Investigator said Mrs G, Mr G and Mr G1 hadn't incurred any additional accommodation or transport costs as the airline had provided accommodation and transport, so the travel disruption part of the policy isn't relevant here. She said IPA had correctly considered the claim against the travel delay provisions in the policy.

Mr G1 didn't agree with the Investigator's view. He said the Investigator had overlooked that the Insurance Product Information Document (IPID) says IPA will pay up to £500 per person for delay as a result of certain circumstances. He remained of the view that IPA's offer of £50 per person isn't fair. Mr G1 said there's no reference in the policy to '*out-of-pocket expenses*' referred to by the Investigator.

The Investigator considered what Mr G1 said but didn't change her view. She said £500 is the maximum payable under the policy for travel delay and the delay here was 15 hours, so IPA had calculated the settlement offer correctly.

Mr G1 said their travel was disrupted, not delayed, as they couldn't stay in the airport until the replacement flight. They say they haven't received the settlement IPA offered. Mr G1

maintains IPA should settle the claim under the travel disruption terms of the policy. He asked that an Ombudsman consider the complaint, so it was passed to me to decide.

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 taken into account the law, regulations and good practice. Above all, I've considered what's fair and reasonable. The relevant rules and industry guidance say IPA has a responsibility to handle claims promptly and fairly and must act to deliver good outcomes for retail consumers. I don't uphold this complaint and I'll explain why:

- Travel insurance isn'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. In general, and as long as consumers are treated fairly, insurers can decide which risks they wish to accept and the terms on which they're willing to do so.
- Mr G1 has referred to the IPID in this case. That's a summary of the key features and exclusions in the policy. We must look to the policy for the rights and obligations of the parties. The relevant part of the policy in this case provides as follows:

'Section 3 – Disruption or Delay to Travel Plans

INTRODUCTION

*The purpose of this section is to help **you** if **you** experience certain disruptions to **your** travel plans and you are left out of pocket. [...]*

[...]

Delayed Arrival

*If **you** arrive later than planned at **your** destination due to a delay of **public transport** we will pay **you** up to the amount shown in the Table of Benefits for:*

- 1. Each period of delay up to the maximum shown (to help **you** pay for telephone calls, meals and refreshments purchased during the delay)*
- 2. A proportion of any unused travel and accommodation costs.'*

The Table of Benefits contains the following:

	'Gold
<i>Travel Delay Benefit (per 12 [...]</i>	<i>£50</i>
<i>hours)</i>	
<i>Travel Delay Benefit (total) [...]</i>	<i>£500'</i>

- Based on all the information provided, I don't think IPA acted unfairly or unreasonably in offering to settle the claim on payment of £50 for each insured person in relation to approximately 15 hours delay. The £500 referred to is the maximum IPA will pay for travel delay. That's not relevant here as the delay was approximately 15 hours. And Mrs G, Mr G and Mr G1 didn't have any unused travel and accommodation costs.

- The difference between travel delay and travel disruption in the policy isn't related to whether the insured waited at the airport during the delay or stayed in a hotel. Whether we say what happened here was delay or disruption doesn't alter the outcome of the claim. That's because the travel disruption provisions in '**Section 3 – Disruption or Delay to Travel Plans**' says in certain circumstances, IPA will pay up to the amount shown in the table of benefits (£4,000) for reasonable additional accommodation and certain travel expenses to enable the insured to continue the trip. Mrs G, Mr G and Mr G1 didn't incur additional accommodation and travel costs as the airline covered those costs. So, there's no claim under this part of the policy.
- There are no grounds on which I can fairly direct IPA to pay Mrs G, Mr G and Mr G1 under the travel disruption provisions. The maximum available under this part of the policy isn't available for Mrs G, Mr G and Mr G1's general inconvenience, as that's not provided for in the policy.
- Mr G1 says he hasn't received the settlement of £50 per person. IPA's notes of the complaint indicate Mr G1 rejected the settlement of £150. If Mrs G, Mr G and Mr G1 now wish to take up IPA's settlement, they should contact it direct.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G, Mr G and Mr G1 to accept or reject my decision before 2 September 2025.

Louise Povey
Ombudsman