

The complaint

Mr and Mrs C complain that Inter Partner Assistance SA (IPA) declined their travel insurance claim. My references to IPA include its claim handling agents.

What happened

Mr and Mrs C and two teenage children had single trip travel insurance insured by IPA. Their return flight home to the UK was cancelled by the airline due to air traffic control issues. The earliest flight the airline offered was three days later.

Mr and Mrs C's family and work commitments meant they couldn't stay the extra days and anyway they had no accommodation. They managed to book a return flight with a different airline to get home on the same day as planned. The airline told them to claim on their travel insurance so Mr and Mrs C claimed on the policy.

IPA declined the claim. It said the claim wasn't covered by the 'delayed departure' policy section as Mr and Mrs C's flight departed less than two hours later than the original cancelled flight so they didn't meet the minimum criteria for a delay of 12 hours. It also said the claim wasn't covered by the 'cancellation' policy section.

Mr and Mrs C complained to us. In summary they said:

- The only reason they were delayed for about two hours was because they booked an alternative flight, otherwise they would have had a three day wait for a flight.
- They think they could be covered by the 'cancellation' section of the policy.
- They tried to call IPA but it had closed at 5pm which left them with no support. They also checked its website and there was no live chat option. They felt left stranded.
- IPA took well over ten days to investigate the original claim and almost all of the eight weeks to respond to their complaint. It didn't offer any alternative as to what they should have done in their situation. They queried whether the policy would have covered their additional costs if they hadn't booked an alternative flight.
- They want IPA to pay the claim in full plus the credit card interest they've paid on the costs they had to pay to get home. They'd also like some compensation for how IPA handled the claim.

Our Investigator said IPA had fairly declined the claim as Mr and Mrs C weren't delayed for a minimum of 12 hours as required by the 'delayed departure' section of the policy. He also said the 'cancellation' section of the policy didn't cover their circumstances.

Mr and Mrs C disagreed and wanted an Ombudsman's decision.

What I provisionally decided – and why

I made a provisional decision that I was intending to uphold the complaint and say that IPA must reassess the claim. I said:

'I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The relevant regulator's rules say that insurers must handle claims promptly and fairly and they mustn't turn down claims unreasonably.

IPA correctly said that Mr and Mrs C's claim wasn't covered by the 'cancellation' section of the policy. That section covers irrecoverable unused travel and accommodation costs if a trip is cancelled for one of the eight insured reasons set out in the 'cancellation' section in the policy document. An airline cancelling a flight home isn't one of those insured reasons.

The policy does have the optional section of 'travel disruption' cover, which may have covered some of the costs Mr and Mrs C are claiming. But Mr and Mrs C's policy schedule shows they didn't buy the optional 'travel disruption' cover so that section doesn't apply.

However, I don't think IPA's reason for declining the claim under the 'delayed departure' section was fair. The section says:

'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 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.*

We will pay you:

- 1. £20 for the first completed 12 hours delay and £20 for each full 12 hours delay after that, up to a maximum of £300 (which is meant to help you pay for telephone calls made and meals and refreshments purchased during the delay) provided you eventually travel'.*

The benefits table says the delayed departure benefit limit is £300 per person.

Mr and Mrs C's original flight was scheduled to depart at 14:35. When the airline cancelled the flight they were able to book with an alternative airline and departed at 16:20 the same day. So the difference between the two flights was under two hours. On a strict interpretation of the policy terms IPA was correct to say Mr and Mrs C hadn't been delayed for the necessary minimum 12 hours.

But I have to decide what's a fair and reasonable outcome in all the circumstances. When looking at complaints about travel delay I need to think about how long the consumer would

have waited if they hadn't made alternative travel arrangements. If Mr and Mrs C hadn't bought the new flight they would have been waiting for three days, which would have allowed them to apply for the fixed cash benefit for travel delay. I've also taken into account that Mr and Mrs C had good reasons why they needed to make their own alternative arrangements to get home as planned rather than wait for the full duration of the delay.

I think the fair and reasonable outcome is for IPA to reassess Mr and Mrs C's claim under the 'delayed departure' section of the policy taking into account the delay they would have had if they hadn't made alternative travel arrangements. If they are covered it would be fair for IPA to pay Mr and Mrs C the amount of travel delay benefit they would have been entitled to if they hadn't made their own alternative travel arrangements, or the covered costs they are claiming whichever the smaller amount, subject to the policy limit.

I note Mr and Mrs C's comments about IPA's poor service. It must have been frustrating and stressful when they tried to call IPA to ask about what would be covered and find its office closed. But we don't have statutory power to say when a business's office must be open.

I can't see there was an unreasonable delay in IPA responding to the claim. Under the regulatory rules a business has eight weeks from a consumer making a complaint to provide a final response and as IPA did so within that time I can't reasonably say that it delayed in responding to Mr and Mrs C's complaint'.

Responses to my provisional decision.

IPA agreed with my provisional decision. Mr and Mrs C didn't respond by the response date we gave them.

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.

As IPA agrees with my provisional decision and Mr and Mrs C haven't responded I've no reason to change my mind. For the reasons I've given in my provisional findings and these findings IPA unfairly declined the claim for the reason it gave. I uphold this complaint. IPA must reassess the claim under the delayed departure section taking into account the delay Mr and Mrs C would have had if they hadn't made alternative travel arrangements.

If Mr and Mrs C don't agree with IPA's decision once it's reassessed the claim they can complain to it and ultimately make a separate complaint to us.

My final decision

I uphold this complaint and require Inter Partner Assistance SA to reassess Mr and Mrs C's claim under the delayed departure section taking into account the delay they would have had if they hadn't made alternative travel arrangements.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Mrs C to accept or reject my decision before 5 September 2025.

Nicola Sisk
Ombudsman