

The complaint

Mrs D and Mr P complain about the way that Inter Partner Assistance SA (IPA) has settled a claim they made on a travel insurance policy.

What happened

The background to this complaint is well-known to both parties. So I've simply set out a summary of what I consider to be the main events.

Mrs D was abroad and was due to fly back to the UK. She had planned to take a domestic flight within a country I'll call P and then catch an international flight back to the UK.

However, Mrs D's domestic flight was cancelled. While she was able to take a replacement domestic flight just over an hour later, she missed her international flight. Therefore, Mrs D incurred the costs of a new international flight, amongst other things. So Mrs D and Mr P made a travel disruption claim on the policy.

IPA ultimately didn't agree that the claim was covered by the travel disruption section of the policy. However, it settled the claim under the missed departure section of the contract – up to the policy limit of £750. It also acknowledged that it had mismanaged Mrs D and Mr P's expectations as to what the policy covered and so it paid them £100 compensation.

Mrs D and Mr P were unhappy with IPA's position and they asked us to look into this complaint.

Our investigator thought IPA had already settled Mrs D and Mr P's claim fairly under the missed departure section of the policy. That's because the total delay to Mrs D's original domestic flight had been less than 12 hours – so he didn't think the claim was covered by the travel disruption section of the contract. The investigator also felt IPA had paid Mrs D and Mr P fair compensation for its claims handling mistakes,

Mrs D and Mr P disagreed.

The investigator subsequently asked IPA whether it would be prepared to consider a claim under the delayed arrival section of the policy – as Mrs D's arrival back in the UK had been delayed by more than 12 hours. IPA agreed to do so.

Mrs D and Mr P didn't accept IPA's new offer, so the complaint's been 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.

Having done so, whilst I'm sorry to disappoint Mrs D and Mr P, I think IPA has now made a fair offer to settle their claim and I'll explain why.

First, I'd like to reassure Mrs D and Mr P that while I've summarised the background to this complaint and Mr P's detailed submissions to us, I've carefully considered all that's been said and sent. In this decision though, I haven't commented on each point Mr P's made and nor do our rules require me to. Instead, I've focused on what I think are the key issues.

The relevant regulator's rules say that insurers must handle complaints promptly and fairly. And that they mustn't turn down claims unreasonably. I've taken those rules into account, amongst other relevant considerations, such as regulatory principles, the policy terms and the circumstances of the claim, to decide whether I think IPA treated Mrs D and Mr P fairly.

I've first considered the policy terms and conditions, as these form the basis of the contract between Mrs D, Mr P and IPA. The claim has been assessed under section three – 'Disruption or delay to travel plans'. I've set out what I consider to be the relevant cover below.

'What is covered

1 Missed Departure

If you fail to arrive at the departure point in time to board the public transport on which you are booked to travel as a result of

- the failure of other public transport or*
- an accident to or breakdown of the vehicle in which you are travelling whilst on your journey to your departure point or*
- an accident, breakdown or an unexpected traffic incident happening which causes an unexpected delay whilst on your journey to your departure point or*
- strike or adverse weather conditions,*

then we will pay you up the amount shown in the Table of Benefits for reasonable additional accommodation (room only) and public transport costs (economy only) so that you may continue your trip.

2 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 amounts shown in the Table of Benefits for each 12 hour period of delay you suffer up to the maximum shown.

3 Travel Disruption

We will pay you up to the amount shown in the Table of Benefits for your reasonable additional accommodation and public transport travel expenses (up to the standard of your original booking) so that you may continue your trip if your trip is disrupted due to.

- a catastrophe or*
- the public transport on which you were booked to travel being cancelled or delayed for at least 12 hours, diverted or redirected after take-off or*
- you are involuntarily denied boarding and no suitable alternative is offered within 12 hours.'*

The policy also sets out a list of specific events IPA has chosen not to cover under this section of the policy. This includes:

'Any travel and accommodation costs, charges and expenses where the public transport

operator has offered reasonable alternative travel arrangements within 12 hours of the scheduled time of departure.'

In this case, there's no dispute that the delay to Mrs D's inward bound journey was caused because her domestic flight was cancelled. There's also no dispute that Mrs D was able to take a replacement domestic flight just over an hour later to her international departure point. I don't think it was unfair or unreasonable for IPA to conclude that it was the cancellation of this domestic flight which was the relevant 'insured event' here – as it was the cancellation of this flight which led to Mrs D missing the departure of her pre-booked international flight. There's no suggestion that the international flight itself was cancelled or delayed.

As I've set out above, the missed departure section of the policy provides cover if a policyholder fails to reach their departure point because of a failure of public transport. Mrs D failed to arrive in time to catch her international flight because her original domestic flight was cancelled. And she incurred additional travel and accommodation costs as a result. So it seems to me that it was fair and reasonable for IPA to have concluded that this claim fell squarely within the scope of missed departure cover. It's paid Mrs D and Mr P £750 under this section of the policy, in line with the applicable limit. In my view, IPA has fairly settled the claim under this heading.

I appreciate how strongly Mr P feels that the claim should be met under the travel disruption heading. I've considered this carefully. I understand that the knock-on impact of the cancelled domestic flight was that Mrs D's total period of delay was more than 12 hours. However, as I've said, the travel disruption cover applies if a flight is cancelled or delayed for at least 12 hours – and cover is excluded entirely if the operator has provided a reasonable alternative within 12 hours. In this case, Mrs D was able to take a replacement domestic flight just over an hour later than her original pre-booked flight. So I don't think it was unfair for IPA to conclude that the claim wasn't covered under this particular heading. Nor do I think the policy terms are unclear or ambiguous.

IPA originally didn't offer to consider a claim for delayed arrival benefit. I don't think this was reasonable, as it seems to accept that Mrs D's arrival back in the UK was delayed more than 12 hours, due to a delay to her original pre-booked transport. I was pleased to see that it's now agreed to consider this part of the claim.

It's also clear that IPA didn't handle this claim as well as it should have done. It wrongly told Mrs D and Mr P that it would settle the claim under travel disruption, before later informing them that this had been a mistake. I don't doubt this caused Mrs D and Mr P unnecessary, additional frustration and upset. However, this doesn't mean that IPA is obliged to make its error true. In my view, the £100 compensation IPA has already paid Mrs D and Mr P is a fair, reasonable and proportionate award to reflect what I believe to be the impact of that error. So I'm not telling IPA to pay further compensation. I understand Mr P says that he didn't accept the compensation – but IPA's final response letter indicates it was to be credited to Mrs D's bank account. If this amount hasn't been paid though, IPA should now ensure £100 compensation is now paid to Mrs D and Mr P.

My final decision

For the reasons I've given above, my final decision is that Inter Partner Assistance SA must now consider a claim for Mrs D under the delayed arrival section of the policy, in line with the contract terms and conditions.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D and Mr P to accept or reject my decision before 3 December 2025.

Lisa Barham
Ombudsman