

The complaint

Mr D has complained that Astrenska Insurance Limited trading as Collinson Insurance ('Astrenska') has unfairly declined his claim.

What happened

Mr D bought a travel insurance policy, underwritten by Astrenska.

He travelled abroad but on his return journey his flight was cancelled by the airline due to air traffic control. Mr D made a complaint to Astrenska but it declined the claim on the basis that the reason for cancellation wasn't covered under the terms of his policy.

Mr D complained and unhappy with Astrenska's response, referred his complaint to the Financial Ombudsman Service.

Our investigator looked into the complaint but didn't think Astrenska had unfairly declined the claim.

Mr D disagreed and in summary he said he didn't think the policy was clear, his brother's claim had been paid and Consumer Duty rules hadn't been applied. He asked for an Ombudsman's decision.

And so the case has been passed to me.

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, I don't think this complaint should be upheld. I'll explain why.

The relevant rules and industry regulations say an insurer should handle claims promptly and fairly. And shouldn't unreasonably reject a claim.

The relevant policy term under the travel delay section says:

"If your departure is delayed because the public transport carrier you have checked in for is delayed by at least 12 hours from the time shown in your travel itinerary as a result of strike, industrial action, adverse weather, mechanical breakdown or grounding of an aircraft due to mechanical or structural defect, we will pay up to the limits specified...after 12 hours delay..."

Mr D's flight wasn't cancelled due to any of the reasons covered in the policy (strike, industrial action, adverse weather, mechanical breakdown or grounding of an aircraft due to mechanical or structural defect) and so Astrenska didn't unfairly decline his claim. As there are specified reasons covered under this section, I don't think Astrenska treated Mr D unfairly.

Mr D says he doesn't understand why his brother's claim was paid but his was not. Mr D's brother isn't insured on Mr D's policy and may have been subject to different terms and conditions. I can only comment on Mr D's complaint and policy.

Mr D also said he doesn't think the terms are clear. But I think they are clear. They set out the specific events that are covered in the event of delay or cancellation.

Finally, Mr D says the Consumer Duty rules haven't been applied but this was introduced on 31 July 2023 and isn't retrospective. So it doesn't apply to his complaint as the event he is complaining about happened before the Consumer Duty was introduced. However, I have considered the rules and standards that were in place at the time, as set out above.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 22 September 2023.

Shamaila Hussain
Ombudsman