

The complaint

Mr K and Miss A complain about how Inter Partner Assistance SA handled their claim against their travel insurance policy. Reference to IPA includes its agents.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here in full. In summary, in February 2022, Mr K and Miss A bought an annual travel insurance policy underwritten by IPA. The policy start date was 1 April 2022. In August 2022, they booked flights for a family trip with a departure date of 22 July 2023. On 30 January 2023, the airline cancelled the departing flights for operational reasons and Mr K says that he logged onto IPA's online claims portal and attempted to submit a claim but couldn't do so.

On 31 January 2023, Mr K and Miss A booked alternative, replacement flights with another provider which departed on 21 July 2023. Those flights were considerably more expensive than the cancelled flights which had been booked months earlier. On the same day, Mr K phoned IPA about making a claim. I'll refer to that phone conversation in more detail below.

Mr K and Miss A received a credit for the value of their cancelled flights. In February 2023, Mr K made an online claim in relation to the increased costs of the replacement flights. In April 2023, IPA declined the claim. It said that what happened here wasn't covered by the policy. Mr K and Miss A didn't think that was fair and complained to IPA.

In response to Mr K and Miss A's complaint, IPA maintained its position about the declined claim but said that there had been delays in dealing with their claim and poor communication. It apologised for that and paid Mr K and Miss A compensation of £100. Mr K and Miss A didn't think that was fair and pursued their complaint.

Mr K and Miss A say that they wouldn't have bought the expensive replacement flights if IPA hadn't misled them about their claim in its phone call with Mr K on 31 January 2023. They say that during that phone call they were reassured that they had a claim and that the flight cancellation was covered by the policy. Mr K and Miss A say that they were put to the trouble of finding evidence to substantiate the claim which didn't in fact change the outcome. Mr K and Miss A say that Mr K spent a considerable amount of time dealing with their claim. They want IPA to settle their claim for increased cost of replacement flights, pay the costs of their phone calls and pay compensation in relation to its handling of their claim.

One of our investigators looked at what had happened. He didn't think that IPA was at fault in relation to Mr K's difficulty in making the claim. The investigator said that he'd listened to the recording of the phone call between Mr K and IPA on 31 January 2023. He said that IPA didn't tell Mr K that the claim was accepted or to buy replacement flights; it told him that it required more information. The investigator didn't think that IPA was at fault in asking for further information. He said that Mr K and Miss A's policy

doesn't cover what happened here. The investigator thought that the compensation of £100 IPA had already paid was fair and reasonable in relation to avoidable delays in dealing with the claim and poor communication.

Mr K and Miss A didn't agree with the investigator. Mr K responded to say that he decided to buy replacement flights as he needed to incur the additional expense before making a claim. He said that IPA clearly suggested that a claim could be submitted. Mr K said that he required more compensation in relation to the difficulties he had in submitting a claim and IPA's delays. He said that if IPA had told him that his claim would be declined, he wouldn't have submitted it.

The investigator considered what Mr K said but didn't change his view. Mr K and Miss A asked that an ombudsman consider the matter, 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.

The relevant rules and industry guidance say that IPA has a responsibility to handle claims promptly and fairly and it shouldn't reject a claim unreasonably. I don't intend to uphold Mr K and Miss A's complaint and I'll explain why:

- 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 onus is on the consumer to show that the claim falls under one of the agreed areas of cover within the policy.
- What happened here – advanced cancellation of flights by the airline for operational reasons – isn't covered by the policy, either under the cancellation or delayed departure provisions. So, IPA didn't act unfairly or unreasonably in declining the claim under the terms of the policy. But that's not the end of the matter as I've gone on to consider what's fair and reasonable in the circumstances of this case.
- Mr K and Miss A say that during Mr K's phone call with IPA on 31 January 2023, he was reassured that he had a claim as the flight cancellation was covered by the policy. I've listened to the recording of the relevant phone call. I don't think that IPA told Mr K that the claim was valid. It asked for more information and told Mr K how to make a claim. I think it was entitled to do that. I think it was reasonable for IPA to explore at that stage the reason for the cancellation of the flights and to ask for documentation about that.
- Mr K and Miss A said initially that they wouldn't have bought the expensive replacement flights if IPA hadn't misled them about their claim in its phone call with Mr K on 31 January 2023. As I've said above, I don't agree that Mr K was misled. In any event, based on what I've seen and heard, it appears that Mr K and Miss A booked alternative flights before Mr K spoke with IPA. So, I don't think that they incurred expenses in reliance on anything IPA told Mr K.
- Mr K and Miss A say that Mr K spent a considerable amount of time dealing with their claim – the online portal wasn't working properly, he spent a long time on hold and their claim wasn't resolved in a timely way. There's always some

inconvenience and expense in making a claim but what Mr K and Miss A describe is more than we'd expect to see.

- IPA has accepted that there were excessive waiting times on the phone and delay in its handling of the claim. It's apologised for that and paid compensation of £100. I think that's fair and reasonable in the circumstances of this complaint in relation to inconvenience and expenses over and above what we'd expect to see in making a claim, including additional phone costs. In reaching that view, I've taken into account the nature, extent and duration of the inconvenience caused by IPA's errors in this case.
- I'm sorry to disappoint Mr K and Ms A but there are no grounds on which I can fairly direct IPA to settle their claim for additional flight costs and I think that the compensation it has already paid in relation to the poor service they received is fair and reasonable.

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 Miss A and Mr K to accept or reject my decision before 4 January 2024.

Louise Povey
Ombudsman