

The complaint

Mr H and Ms F are unhappy with the way in which Mapfre Asistencia, Compania Internacional De Seguros y Reaseguros, S.A. handled a claim made on their travel insurance policy.

What happened

Towards the end of 2019, Mr H and Ms F booked a trip abroad to South America. They were due to depart the UK at the end of March 2020 and return around two weeks later.

However, due to the impact of the Covid-19 pandemic and the advice issued by the Foreign and Commonwealth Office on 17 March 2020 (advising against all but essential international travel), the trip didn't go ahead.

Mr H and Mrs F had the benefit of a travel insurance policy underwritten by Mapfre ('the policy'). They made a claim under the policy for various pre-paid costs including return flights to and from the South American Country they'd been due to travel, an internal flight costing around £270, two deposits for excursions they'd booked in the approximate sums of \$650 and \$100 and UK airport car parking around £115.

Mr H and Mrs F were unhappy with the time taken by Mapfre to assess their claim. They complained to Mapfre who apologised for the delay of many months and offered £100 by way of compensation.

In order to assess the claim, Mapfre requested evidence of Mr H and Mrs F's pre-paid costs and confirmation that the various items paid for hadn't been used/had been cancelled and no refunds had been obtained.

Mr H and Mrs F are no longer claiming the cost of the flights to and from the South American country. And they've received written confirmation from one of tour operators confirming that the pre-paid deposit in the sum of around \$650 is non-refundable and the car park provider has credited the amount they paid for the car park to be used for airport parking into 2023.

Our investigator looked into what happened and partially upheld this complaint.

He recommended Mapfre reconsider the claim for deposits paid for two excursions around \$650 and \$100 respectively.

He didn't think Mapfre should reassess the amount paid for the airport car park as they'd been offered credit to be used against a future car park booking. Nor did he think that Mapfre should reassess the claim for the internal flight because, at that stage, it was still possible that they'd been receiving a refund from the online booking agent. However, he did recommend Mapfre reconsider this element of the claim if Mr H and Mrs F didn't receive a full refund of the amount paid for the internal flight so long as they were able to provide evidence to Mapfre demonstrating any financial loss.

Mapfre accepted the recommendation. Mr H and Mrs F said Mapfre should still accept the claims for the amounts paid for the airport car park and internal flight. So their complaint has been passed to me to consider everything afresh and 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, I partially uphold Mr H and Mrs F's complaint.

Mapfre has an obligation to consider claims promptly and fairly. And it mustn't unreasonably decline a claim.

It isn't disputed that the circumstances which resulted in Mr H and Mrs F's trip being cancelled are covered under the terms of the policy.

However, under the cancellation section of the terms and conditions of the policy (at page 18), it says this extends to "*unused travel and accommodation expenses that you have paid or have agreed to pay under a contract and which you cannot get back, including any local prepaid excursions, tours or activities...*" It's also a general condition of the policy that the policyholder must give Mapfre all the documents they need to deal with any claim (at the policyholder's own expense). It's common for those sorts of terms to form part of travel insurance policies.

I'm satisfied that:

- Mapfre should reconsider Mr H and Mrs F's claim for the pre-paid costs of the excursions they'd booked in the sums of around \$650 and \$100 respectively. The tour provider has confirmed that the deposit paid for one excursion around \$650 is non-refundable so I think that's a cost that Mr H and Mrs F can't get back. Further, Mr H and Mrs F say they've tried to contact the tour provider in respect of the \$100 deposit they paid without success. They haven't been able to obtain a cancellation notice. I accept what they say about that and Mapfre hasn't disputed our investigator's findings on that point. So, I think it would be fair and reasonable to conclude that Mr H and Mrs F can't get back the \$100 deposit paid for another excursion.
- Mr H and Mrs F have been offered credit to the value of the amount they paid for airport car parking which they were unable to use in March and April 2020 – which is valid until into 2023. Mr H and Mrs F have explained why they don't intend to travel next year. However, I don't think the terms of the credit offered are unreasonable. So I don't think it would be fair and reasonable for Mapfre to conclude that's a cost Mr H and Mrs F haven't been able to recover.
- More recently, Mr H and Mrs F have been able to request a refund of the amount they'd paid for the internal flight around £270 from the online booking agent and they've made a request via its website. At the time our investigator issued his view, Mr H and Mrs F were still waiting to hear back from the booking agent as to whether their request had been successful. If this request is still being considered, I don't think it would be fair and reasonable to conclude that this is a cost that Mr H and Mrs F can't get back. However, as our investigator also recommended, if Mr H and Mrs F are able to produce documentary evidence that this request has been declined by the booking agent – or they haven't received a refund in full – they should provide this evidence to Mapfre to reassess this element of the claim in line with the remaining

terms and conditions of the policy. When making this finding, I've taken on board all of Mr H and Mrs F's concerns including Mapfre further delaying reconsidering their claim. However, I don't think it would be fair and reasonable for me to direct Mapfre to reconsider this element of the claim.

Mapfre has accepted that there were unreasonable delays in the handling of Mr H and Mrs F's claim. It's apologised for this and offered them £100 compensation. I think that fairly and reasonably reflects the distress and inconvenience experienced by them; having to chase Mapfre for updates – which I accept would've been frustrating. However, for reasons set out above, I don't think Mapfre acted unreasonably by ultimately requesting Mr H and Mrs F provide documentary evidence in support of their claim.

Putting things right

I direct Mapfre to reassess certain elements of Mr H and Mrs F's claim to the extent set out above.

I'm satisfied that an apology and the offer of £100 Mapfre made to Mr H and Mrs F as compensation for distress and inconvenience is fair and reasonable.

My final decision

I partially uphold this complaint. I direct Mapfre Asistencia, Compania Internacional De Seguros y Reaseguros, S.A. to put things right by doing what I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Ms F to accept or reject my decision before 17 August 2022.

David Curtis-Johnson
Ombudsman