

The complaint

Ms H is unhappy that Euroins AD has declined a claim she made on her travel insurance policy.

What happened

Ms H was on holiday with her two daughters. They had luggage stolen from a car and claimed on their travel insurance policy. Ms H said the suitcases contained everything they owned.

Ms H claimed on her travel insurance policy, but it was declined because the luggage had been visible. Euroins said this meant an exclusion in the policy applied. Ms H was unhappy with the delays in handling the claim and with the decision to decline it.

Our investigator looked into what had happened. She thought the claim had been fairly declined. But she recommended Euroins pay Ms H £100 compensation for poor service.

Ms H accepted the investigator's findings. Euroins didn't agree and asked an ombudsman to review the complaint. They disagreed they'd provided poor service because the claim was dealt with within the time frame Ms H had been given. They provided copies of the call recordings and some information about call wait times.

Ultimately, this didn't change the investigator's opinion. She remained of the view that Ms H's expectations weren't managed, and she had to chase for updates. She also thought that Ms H had made a straightforward claim and it had taken too long to give Ms H an answer. As it's not been possible to reach an agreement, I need to make a decision.

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 key issue for me to decide is if Euroins should pay compensation to Ms H for the service she received.

The relevant rules say that Euroins have a responsibility to handle claims promptly and fairly. I think they should pay Ms H £100 compensation because:

- Ms H's email to her insurer's claim handler on 7 September said she wanted to be reimbursed as soon as possible and she was having to replace the items urgently and, having paid for damage for the vehicles, had only been able to replace essentials. She went on to ask that the insurer contact her by phone if there were any queries so it could be paid immediately. I've not seen persuasive evidence that these concerns were appropriately acknowledged or responded to.
- Ms H made follow up calls to Euroins. She says she experienced long wait times. Euroins provided some general information about their average wait times at the time of the calls. But I'm more persuaded by Ms H's testimony. Euroins has had the opportunity to provide more information and evidence about the wait times for Ms H's specific calls but it hasn't done so. So, in the circumstances of this case, I've placed more weight on Ms H's testimony and I accept she had to wait for some time to get through to Euroins.
- I accept that Ms H was told during the calls about the timescales for handling a claim. But it wasn't Ms H's fault there was a backlog. Ms H had to chase to follow up with what was happening. During one of the calls she was told it was chaos and how the various issues were impacting on Euroins ability to handle claims. I don't think that was reassuring for her at a time when she was clearly worried and anxious about the outcome of the claim.
- In another call Ms H explained that she had been told Euroins had everything but was then told something wasn't right. She expressed that she'd had everything she owned stolen and had only been able to replace basics. In a further call she explained she couldn't afford to replace the items. I think it's clear from the overall information that Ms H shared with Euroins that she was under some financial pressure and wanted the claim assessed quickly to help alleviate this. She reiterated this in a further email to Euroins, explaining that she was in extreme financial difficulty as she couldn't afford to replace the items.
- I think there were opportunities for Euroins to address Ms H's personal circumstances and explore this with her in more detail. But instead they reiterated the standard timescales which caused her to become increasingly frustrated in a situation she was already finding stressful. So, even if the claim was dealt with within the relevant timescale, I think there were opportunities to give her an answer sooner, bearing in mind the nature of the claim and given what she'd said about her personal circumstances.
- I'm satisfied Ms H was caused distress and inconvenience. It's clear from the calls she was worried and frustrated with how the claim was being handled, particularly due to the financial impact of theft of her personal belongings. I think this could have been addressed with more empathy and proactivity. This would have avoided additional distress and inconvenience for Ms H.
- Euroins has referred to a previous decision made by the Financial Ombudsman Service which says, in summary, that there will be often some distress and inconvenience caused by making an insurance claim. I've also taken into account that the claim was ultimately declined. But every case is different. And I've explained why, in this case, I think compensation should be paid to Ms H.

Putting things right

Euroins needs to put things right by paying Ms H £100 compensation for the distress and inconvenience caused.

My final decision

I'm upholding Ms H's complaint about Euroins AD and they need to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 1 June 2023.

Anna Wilshaw
Ombudsman