

The complaint

Mr and Mrs O have complained that U K Insurance Limited ('UKI') didn't deal with or settle their claim fairly.

What happened

Mr and Mrs O have a travel insurance policy underwritten by UKI. Whilst they were abroad, Mrs O fell and sustained an injury.

Mr O telephoned UKI on 16 September who advised him to seek medical assistance. He said he wanted to cut the trip short and return home. UKI sent Mr O an email and asked for a copy of the medical report. Mr O replied but didn't get a response. He emailed again on the next day but didn't get a response. So he decided to arrange his own flights and returned home on 19 September.

On 19 September, UKI called Mr O and he advised he hadn't received a response to his emails.

He complained about customer service, delays and lack of policy documentation and in response to the complaint, UKI apologised and offered £150 compensation for not replying to his emails sooner. But it said curtailment wasn't medically necessary and so it wouldn't cover that part of his claim.

Unhappy, Mr O referred his complaint to the Financial Ombudsman Service.

Our investigator looked into the complaint and partially upheld it. She said UKI should increase the compensation award to a total of £350 for failing to send Mr O insurance documents and for the poor customer service when he emailed and didn't get a response. But she didn't think it had incorrectly declined the claim for the curtailment costs as Mr O had been told to wait for authorisation before curtailing over the telephone on 16 September.

Mr O disagreed and in summary, has made the following comments:

- When speaking to UKI, he was very stressed and concerned for his wife in the hospital car park in poor weather conditions so he may have missed something UKI told him.
- By the time UKI contacted him, they were already back in the UK.
- Had Mr O been informed of a more specific medical report requirement, he would have returned to the hospital to obtain it.
- This case is almost identical to a Financial Ombudsman Service case study and that precedent should be considered.

And so the case has 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, I agree this complaint should be partially upheld.

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

Curtailment costs

Under the curtailment section, the policy documents confirm UKI won't pay for *"Any claim for costs as a result of having to cut short your trip that were not agreed by our emergency assistance service before you returned home."*

Mr O said he had never received the policy documents with the terms so I have considered the other evidence available from the time.

Mr O telephoned UK on 16 September to report the claim and the call notes from UKI show:

- Mr O was advised he might need to keep receipts and claim later because with the curtailment element, he needed to wait until UKI advised the claim was covered in case he returned home early just to find it wasn't covered.
- UKI sent an email to Mr O following this telephone call to confirm a reference number and this said: *"Currently I have placed the case onto the operations team section as your wife will require assistance for her return to the UK and we will require the medical report."* The email also provided a direct number to contact and said they operated 24 hours.
- Mr O replied to UKI's email later on the same day and confirmed the hospital couldn't provide a medical report until Tuesday (4 days later) and had confirmed that she was fit to fly. As Mrs O wasn't able to bear weight on her foot for two weeks, they would look to return to the UK and curtail the holiday. His email ended by asking how they would go about this and what costs would be covered by the travel insurance.
- Mr O sent a further email on the following day asking if UKI had received his email.
- He then made his own arrangements to return home.

Having considered the above sequence of events, I'm not satisfied that Mr O received agreement from UKI that the trip could be curtailed. Even if he didn't have the policy documents, he was told on the phone that he would need to wait for UKI to confirm they were covered. Following this, Mr O's email of 16 September also asks UKI how they would go about curtailing the trip and what would be covered so based on this, I don't think he was under the impression that the curtailment was authorised after the phone calls and emails of 16 September.

There is no medical evidence to show that the trip needed to be curtailed and I haven't seen any evidence that Mr O called UKI back after he didn't receive any responses to his emails. He was provided with a direct number to contact on 16 September but didn't make any further attempts to call UKI. So I'm not satisfied that UKI gave the impression that his curtailment costs would be covered and I think it fairly declined this part of the claim.

Customer service and policy documents

Mr O says UKI took too long to respond to his contact and also failed to provide him with policy documents. It's clear that UKI didn't reply promptly to Mr O's emails of 16 September and didn't provide him with his policy documents. UKI accepted that its customer service standards were below what's expected for delays, lack of contact after 16 September and for not being clear about which parts of the claim were covered when the claim was assessed. UKI has paid £150 compensation but our investigator recommended an additional £200 (a total of £350) to recognise all of the issues. I agree £350 compensation is more appropriate in these circumstances as it was a number of minor errors which caused Mr and Mrs O stress and frustration when trying to make a claim.

Financial Ombudsman case study

Mr O has referred to a case study which he says is almost identical to his complaint. I should confirm that our decisions do not set a precedent and each case is decided on its own facts. Even where a case may seem similar, the case will be decided with reference to the specific facts and circumstances applicable. I have made my decision based on the facts of Mr and Mrs O's complaint and all the evidence available.

My final decision

For the reasons set out above, I uphold this complaint in part and direct U K Insurance Limited to pay Mr and Mrs O an additional £200 compensation (a total of £350 of which £150 has already been paid) for the distress and inconvenience caused to them.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O and Mr O to accept or reject my decision before 14 September 2023.

Shamaila Hussain
Ombudsman