

The complaint

Mr and Mrs P complain about how Inter Partner Assistance SA handled a claim against their travel insurance policy.

What happened

In summary, Mr and Mrs P took out a single trip travel insurance policy underwritten by IPA for a family trip in October 2023. Their return flight was due to depart on 21 October 2023. A few hours before the planned departure, the airline sent Mr P an e-mail informing him their flight had been delayed due to unforeseen operational reasons. The airline arranged a replacement flight departing on 22 October 2023.

Mr and Mrs P claimed against their policy in relation to the delayed departure, additional pet care costs of £28 and additional car parking fees of £25. IPA declined their claim. Mr and Mrs P didn't think that was fair and complained to IPA. IPA maintained its position about Mr and Mrs P's claim and offered them £75 in relation to service issues. IPA subsequently agreed to deal with Mr and Mrs P's claim in relation to pet care costs, but Mr and Mrs P didn't hear anything further. Mr and Mrs P want IPA to settle their claim.

One of our Investigators looked at what had happened. She didn't think IPA had acted unfairly in declining Mr and Mrs P's claim for delayed departure. That was because the policy doesn't cover delayed departure caused by unforeseen operational reasons. The Investigator thought IPA should assess Mr and Mrs P's claim in relation to pet care costs, as it had promised to do. She also recommended IPA pay Mr and Mrs P additional compensation of £50 in relation to their distress and inconvenience.

Mr and Mrs P accepted the Investigator's recommendation. IPA said it had considered Mr and Mrs P's claim for reimbursement of pet care costs and it falls within the policy excess. It didn't comment on the Investigator's recommendation in relation to distress and inconvenience. As there was no agreement between the parties, the complaint 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.

I've taken into account the law, regulation and good practice. Above all, I've considered what's fair and reasonable. The relevant rules and industry guidance say IPA should deal with claims promptly and fairly, and must act to deliver good outcomes for retail customers.

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 the claim falls under one of the agreed areas of cover within the policy.

I agree with the investigator that IPA didn't act unfairly in declining Mr and Mrs P's claim for delayed departure. That's because Mr and Mrs P's delayed departure was caused by unforeseen operational reasons and the policy only covers delayed departure caused by strike or industrial action, adverse weather conditions or mechanical breakdown or a technical fault in the public transport on which Mr and Mrs P were booked. I don't think IPA treated Mr and Mrs P unfairly in relying on the policy terms and declining their claim for delayed departure.

The policy doesn't cover additional car parking fees in the circumstances that arose here. But Mr and Mrs P are right that the policy covers reasonable additional pet care costs following delay to the public transport on their return journey. They say their additional cost was £28. Following the Investigator's recommendation, IPA said there's no payment due to Mr and Mrs P as their claim is within the excess due under the policy. I don't think IPA treated Mr and Mrs P unfairly in declining this part of their claim.

However, there's been poor communication in this case. IPA acknowledges it should have been proactive in keeping Mr and Mrs P informed. IPA initially said, incorrectly, that the policy doesn't cover pet care fees. In February 2024, IPA told Mr and Mrs P it would consider their claim for reimbursement of pet care fees but Mr and Mrs P didn't hear further from IPA. I think that may be because the claim came within the excess of the policy, but IPA didn't explain the position to Mr and Mrs P.

I think IPA's handling of the claim meant it took longer than we'd generally expect for Mr and Mrs P to understand what was covered by their policy. IPA offered Mr and Mrs P compensation of £75 in relation to service issues. I agree with the Investigator that additional compensation of £50 is fair and reasonable in this case, so £125 in total. In reaching that view, I've taken into account the nature, extent and duration of the distress and inconvenience caused by IPA's handling of Mr and Mrs P's claim.

We asked IPA whether it had paid Mr and Mrs P the compensation of £75 it had already offered but it didn't respond. Mr and Mrs P say they haven't received any payment from IPA. If IPA has already paid Mr and Mrs P an amount in relation to their distress and inconvenience, it may deduct that from the total of £125.

Putting things right

In order to put things right, IPA should pay Mr and Mrs P compensation of £125 in relation to their distress and inconvenience. IPA may deduct from that amount any sum it has already paid in relation to Mr and Mrs P's distress and inconvenience.

My final decision

My final decision is I uphold this complaint in part. Inter Partner Assistance SA should now take the step I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P and Mr P to accept or reject my decision before 15 October 2024.

Louise Povey
Ombudsman