

The complaint

Mr and Mrs C complain about how Inter Partner Assistance SA (IPA) settled their travel insurance claim. My references to IPA include its agents.

What happened

Mr and Mrs C had single trip 'Gold' level travel insurance. IPA was the insurer for most of the policy sections.

Mr and Mrs C's cabin bag was stolen on the last day of their holiday abroad. They claimed on the policy for the cost of their stolen items and additional costs incurred due to the theft which included costs for emergency passports and new return flights.

IPA paid £600 to settle the claim, which it said was the maximum benefit for stolen 'Important documents' payable under the policy.

Mr and Mrs C complained to us. They said IPA should have assessed their theft claim in full.

Our Investigator said IPA had been unfair to limit the settlement payment just to the 'Important documents'. He recommended IPA assess the claim for the additional items stolen, subject to the policy terms and conditions, and pay Mr and Mrs C £100 compensation for their inconvenience due to it not fully assessing the original claim.

IPA disagrees it had been unfair and wants an Ombudsman's decision. It said it had assessed the claim for the items for which Mr and Mrs C had provided supporting documents. It hadn't considered other items in the claim because Mr and Mrs C hadn't provided supporting documents for those items.

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 regulator's rules say that insurers must handle claims promptly and fairly and they mustn't turn down claims unreasonably. I don't think IPA fairly handled Mr and Mrs C's claim. I'll explain why.

IPA has sent us the claim form Mr and Mrs C sent it in October 2023. In response to the 'What happened' question on the claim form Mr and Mrs C put *'The bag was at the side of the table and was taken. In this bag (were) our passports, money, phones, and personal belongings. We were unable to fly home as planned and had to stay in (the relevant country) for an additional three days and wait for emergency passports'*.

In response to the 'Benefit you are claiming for' question on the claim form Mr and Mrs C put *'Baggage-Money & Travel Docs'*.

IPA's correspondence with Mr and Mrs C about their claim and subsequent complaint said it had paid £300 per insured person under the 'Lost documents' section of the policy and that was the maximum payment for their claim.

The policy says under the 'Personal Belongings and Money' section:

'What is covered?

We will pay you up to the amount shown in the benefits table for all covered persons travelling together for the following items if they are accidentally lost, damaged or stolen whilst on your trip:

- *Baggage*
- *Valuables*
- ...
- *Personal money (excluding cash)*
- *Cash*
- *Replacement important documents*

The maximum we will pay you for any on(e) item pair or set of items under this section is shown in the Benefit table as the single article limit.

If you need to claim, we will pay you based on today's prices minus a deduction for wear and tear and depreciation (loss of value), or we may replace, reinstate or repair the lost or damaged baggage or valuables.

We will pay you up to the amount shown in the Benefit table for reasonable additional travel and accommodation expenses incurred necessarily abroad to obtain a replacement of your lost or stolen travel documents as well as the pro-rata cost of the lost or stolen document'.

The policy terms and conditions detail the definitions, conditions, limits and exclusions for a claim made under the section.

The policy definition of 'Important documents' includes passport and travel tickets. For the Gold level policy that Mr and Mrs C had the maximum benefit for 'Important documents' is £300 per insured person. So IPA fairly settled the claim at £600 for Mr and Mrs C's additional travel and passport costs.

But IPA knew from the claim form that Mr and Mrs C were also claiming for personal belongings and money that had been stolen in the same incident. IPA has told us it didn't assess the claim for those items as Mr and Mrs C didn't provide supporting documents for those items. But IPA's final response to Mr and Mrs C only says that with its payment the policy limit for the claim had been reached. That didn't explain the whole situation and it would have been fair for IPA to have told Mr and Mrs C that it needed supporting evidence to be able to assess the claim for the other items. It may be that if some/all of those items are covered IPA would need to pay more than £600 in total for the claim. As IPA didn't explain the whole situation to Mr and Mrs C I think it handled the claim unfairly.

Mr and Mrs C have detailed in their complaint form to us the full details of items and money they are claiming, which IPA has seen. IPA needs to assess the claim for those items and money subject to the policy terms and conditions and tell Mr and Mrs C what supporting documents it needs from them to be able to assess the full claim.

IPA must pay Mr and Mrs C £100 compensation for their inconvenience due to its unfair handling of their claim. It shouldn't have been necessary for them to have to complain to us for IPA to fully assess their claim.

My final decision

I uphold this complaint. I require Inter Partner Assistance SA to:

- Assess Mr and Mrs C's full claim subject to the policy terms and conditions, and
- Pay Mr and Mrs C £100 compensation for their inconvenience due to its unfair handling of their claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Mrs C to accept or reject my decision before 30 October 2024.

Nicola Sisk
Ombudsman