

## **The complaint**

Mr I has complained that Inter Partner Assistance SA (IPA) hasn't fully settled a claim he made on a travel insurance policy.

## **What happened**

Mr I travelled abroad for a ski trip in January 2024. Unfortunately, his luggage was mislaid by the airline on the outbound flight and it was four days into the trip before he received it. In the meantime he purchased some necessary replacement items, to the value of about £1,000 and so made a claim on the policy. He also made a claim for some out-of-pocket medical expenses.

IPA's settlement figure of £250 fell far short of the amount being claimed for and so Mr I complained.

In response to the complaint, IPA acknowledged that it initially omitted to provide information about approaching the airline first to make a claim. Therefore, it offered £100 compensation for the distress and inconvenience caused by the poor customer service. However, it maintained its position in relation to the settlement amount.

Our investigator concluded that IPA's settlement amount was fair and reasonable, in line with the policy terms and conditions. She also thought that the offer of £100 compensation was reasonable for the customer service issues.

It was noted that the claim amount hadn't been paid out yet, so our investigator asked IPA if it would also pay 8% interest on that amount. As the main reason for non-payment is due to Mr I not having provided his bank details as yet, IPA agreed to pay interest on the claim amount from one month from the date the claim was made until the date it first told him that it was ready to settle. Our investigator also thought this was reasonable.

Mr I remains unhappy with the outcome and so the complaint has been passed to me for 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.

I've carefully considered the obligations placed on IPA by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for IPA to handle claims promptly and fairly, and to not unreasonably decline a claim.

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 test then is whether the claim falls under one of the agreed areas of cover within the policy.

Looking at the policy terms, there is a 'table of benefits' which sets out the maximum amounts payable under the different heads of claim. Under section 4 for 'Personal Belongings and Money' there is an overall limit of £1,250 but this is broken down into further sub-sections such as single article limit, cash and delayed baggage. It sets out that the benefit for delayed baggage is £50 after the first 12 hours, up to a maximum pay-out of £250.

Had Mr I's luggage been permanently lost, then it is likely that the cost of the replacement items he purchased would have been covered. However, I'm satisfied that the luggage was delayed rather than lost or stolen. Therefore, IPA has correctly assessed the claim under the delayed baggage clause.

I have every sympathy for Mr I's circumstances. The luggage being mislaid by the airline was clearly outside of his control. Being without his belongings for four days out of a seven-day trip was obviously incredibly inconvenient. He of course needed to buy some clothing to see him through that period and is out of pocket as a result.

However, the matter at hand is whether his full costs are covered under the policy terms – and I'm afraid to say that they are not.

Overall, I'm satisfied that the maximum payable under the policy for delayed baggage is £250, with no excess. Therefore, IPA has settled this part of the claim correctly, in line with the policy terms. And its offer to add interest, as set out above, is also reasonable.

Mr I also made a claim for medical expenses totalling €31.07. As this amount is less than the £95 excess applicable to this part of the policy, this also wasn't covered. Looking at the policy terms, I think IPA has acted fairly in this respect. As I understand it, Mr I isn't disputing this element of the claim.

When Mr I initially rang to register the claim, he wasn't told that he needed to make a claim to the airline in the first instance. By the time he was told this, he had missed the deadline for doing so. This part of the complaint isn't in dispute. IPA has apologised for this and offered £100 compensation.

I take Mr I's point that he has missed out on the opportunity to claim from the airline. Whilst it would have been good customer service to mention it, as our investigator pointed out, the policy terms are clear that it is a policyholder's responsibility to claim through the airline before making a claim under the policy. And IPA would have been unaware that he had not done so prior to undertaking a fuller assessment of his claim.

Overall, I'm satisfied that £100 is a reasonable and proportionate amount to compensate Mr I for the distress and inconvenience caused. So, I won't be asking IPA to do anything more. It follows that I do not uphold the complaint.

Mr I should now provide his bank details to IPA (which he can do via our investigator if he prefers) to enable payment to be made.

### **My final decision**

For the reasons set out above, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 20 February 2025.

Carole Clark  
**Ombudsman**