

The complaint

Mr N and Ms W's complaint is about the rejection of a claim made under their travel insurance policy with Inter Partner Assistance SA ("IPA").

What happened

Mr N and Ms W planned a trip from April 2024. They say they planned to return to the UK in October 2024 but did not have the return travel booked.

Ms W's grandparent died in August 2024. Mr N and Ms W called IPA and were told that they could claim for the curtailment of their trip if they returned to the UK. They say that based on this, they booked flights back to the UK.

However, after Mr N and Ms W submitted the claim for the return flights of £1,500 each to IPA, it rejected the claim. IPA says the policy would only cover the costs of return flights if there was an original return flight booked (unless there is a medical emergency) and in this case Mr N and Ms W had not evidenced that they had booked a return ticket, so there is no cover for the claim.

Mr N and Ms W are very unhappy about this and complained. IPA did not change its position on the claim but offered £75 compensation for not managing their expectations better during the phone calls.

As Mr N and Ms W remained unhappy with IPA's response, they referred the complaint to us.

One of our Investigator's looked into the matter. Having done so, she was satisfied IPA was entitled to reject the claim for the reasons it did. She did not think the phone calls obliged it to meet the claim but thought that IPA should have made it clearer that they would need to provide supporting documentation about pre-booked return tickets. The Investigator recommended the compensation for the loss of expectation be increased to £150 in total (so £75 each).

Mr N and Ms W do not accept the Investigator's assessment, so it has been referred to me. They have made a number of points in response. I have considered everything they have said and have summarised the main points below:

- If there's a loss of expectation then this is a breach of contract and the compensation recommended by the Investigator does not reflect the loss caused by that breach of contract.
- They called twice to clarify the cover and relied on what they were told, which was that they had permission to book the return flights and that if they had any issues when claiming, they should refer to the call. This has to be binding.
- IPA's representative did refer to providing supporting documents when they spoke on the phone but this implies they'd need to show proof of the return flights they had booked to attend the funeral and not that they needed to have pre-booked return tickets.

- Both call-handlers had ample opportunity to ask questions of them to ensure the correct advice was given but didn't.
- They could not read the entire policy when trying to make a very quick decision about a return flight home for a funeral. This is the whole purpose of calling.
- The Investigator has failed to assess whether they entered into a new contract in effect with the call-handlers. Their agreement that they could go ahead and book the flights, overrides the terms and conditions of the original agreement and render the original policy terms irrelevant.
- The fact the call-handlers said they'd need to submit "*supporting documents*" was not sufficient guidance about how to claim. ICOBS states that insurers must provide reasonable guidance to help a policyholder make a claim. The level of guidance given was insufficient. This does not appear to have been considered.
- They would have booked much cheaper flights, if they had known they were not covered.
- Even allowing for the fact they'd have to have paid for return flights at some point they could have booked return flights for around £500 each, so they are still out of pocket by around £1,000 each.
- ICOBS 8.1.2.A clearly states insurers should not unreasonably reject claims and the only example given of a reasonable rejection would be where there has been a qualifying misrepresentation by the consumer. They have not made any misrepresentation so it is clear the claim has been unreasonably rejected.
- They have provided evidence that IPA has not been able to provide the full recording of the telephone conversation, in breach of its obligations. What is missing is a key part of the discussion and this has not been taken account of.
- IPA delayed in responding to the complaint and this has caused them financial hardship and caused enormous emotional distress. The £150 proposed for several breaches of the rules is not reasonable or proportionate.
- The Investigator has agreed they were misled by both call-handlers, so it does not make sense not to award them the cost of the flights; £150 settlement for a £3,000 claim is unacceptable.

As the Investigator was unable to resolve the complaint, it has been passed to me.

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.

Is the claim for the cost of return flights to the UK covered under the policy terms?

The section of cover that is agreed to be relevant to this claim is Section 1 which provides cover in the event of the trip being cancelled or cut short. It says:

"What is covered

We will pay you up to the amount shown in the of benefits for your proportion only of your irrecoverable unused travel and accommodation costs and other pre-paid charges if you need to cancel or cut short your trip following any of the reasons which are shown in the table below."

The table includes: *"The death, injury due to an accident, illness, disease, or pregnancy complication of you, your travel companion, your close relative or your colleague"*

The policy cover is also subject to terms and conditions and says:

“What is not covered ...

The cost of your unused original tickets where we have paid for you to come home following cutting short your trip. In addition if you’ve not purchased return ticket, we will not cover any costs incurred whilst returning you to your home unless agreed by the Emergency Medical Assistance Service”

There are also conditions under the section Claims evidence where it says,

“To make a claim under this section of your policy, where relevant you must provide us with:

- *Tour operator’s booking invoice or other evidence of your trip.*
- *Tour operator’s cancellation invoice or unused flight tickets.”*

I think the policy terms set out above are sufficiently clear and unambiguous. I also do not consider them unreasonable. They state that any costs incurred in returning home will not be covered if the policyholder has not purchased a return ticket already. This is not unreasonable.

Mr N and Ms W have confirmed they did not have a return ticket booked and their return to the UK was not due to a medical emergency. Therefore, I am satisfied that the claim is not covered under the terms of the policy.

As Mr N and Ms W have pointed out the rules under which insurers operate say that IPA must handle claims fairly and must not refuse a claim unreasonably. It must also give reasonable guidance on how to submit a claim. Mr N and Ms W suggest that as the rules refer to an insurer being entitled to reject a claim if there has been qualifying misrepresentation, which does not apply in this case, that this means their claim has been refused unreasonably. I do not agree. That is one example given. However, in a situation where the cover is clear – and for the reason set out above I think it is clear in this case – I am not persuaded it is unreasonable for an insurer to rely on the policy terms to refuse a claim.

However, I will go on to consider whether it would be fair and reasonable to require IPA to meet the costs based on the discussion had on the phone before they booked the return flights.

Should the claim for the cost of the return flights be paid due to information provided to Mr N and Ms W by IPA?

As Mr N and Ms W called IPA to query the cover before booking their return flights, I will consider whether they were misled to their detriment and whether in the circumstances of this particular matter, it would be fair to require IPA to disregard the policy terms and meet the cost of the flights.

I have therefore listened to the two recordings provided. The first appears to have dropped and Ms W called back and spoke to a different call-handler in the second recording.

In the first call Ms W asked about the costs of flights back to the UK and then flights back to continue their trip. The call-handler said that Mr N and Ms W would both be covered for curtailment of their trip to come back to the UK but he was not sure if they would be covered to go back out again. He said otherwise they could claim for cancellation but would have to cancel the flight and have a cancellation confirmation. I think it is clear that he meant that

they could claim of the cancellation of a pre-booked flight back to the UK. Ms W did not say she did not have a pre-booked flight back to the UK for the end of their trip.

They then talked about making a claim and, as the call-handler was reading out the portal link, the call cut off. Ms W then called back and spoke to a different call-handler.

The call-handler asked if the insurance was purchased just for this trip and Ms W said they'd bought a six-month policy to cover their travelling. She did not give any planned return date. The call-handler told Ms W that IPA would cover a curtailment claim for her and Mr N to fly home but not to go back out again. Ms W asked if she needed pre-approval before she booked the flights and the call-handler said she could go ahead, as she had spoken to two call-handlers to check the position.

Mr N and Mrs W says there was further discussion that was not recorded. However, given the way Ms W introduced the matter in the second call, I do not think that it is likely there was any other substantive discussion not provided.

In both calls Ms W was told there would be cover for curtailment in the circumstances she reported. However, I think it was also clear that there would need to be a proper claim process and that she would need to provide supporting documents for the claim.

Mr N and Ms W say they thought the reference to supporting documents meant proof of the tickets they booked to return for the funeral. Ms W did not ask what would be needed. I can see they may have misunderstood this. However, I am not persuaded that the misunderstanding was caused entirely by IPA and, even if it was, that it binds IPA to the extent that it should pay a claim that is not covered by the terms

I say this because while I can see that there was a misunderstanding, I think this was contributed to by Ms W not providing all the relevant information to the call-handlers. I think it would be reasonable to expect Ms W to have said there was no pre-booked flight in both calls: in answer to the first call-handler when he talked about cancelling the pre-booked flights and in answer to the second call-handler when she was enquiring about the length of the trip. And, as mentioned, she did not ask what supporting documents would be needed.

In addition, as the Investigator pointed out, Mr N and Ms W would have had to pay for return flights anyway at some point and the policy would not cover the loss of such flights, so in effect they have not suffered a loss. Mr N and Ms W have said they would have got cheaper flights if they had known they wouldn't be covered, so even allowing for having to pay for one lot of flights themselves, they are still out of pocket. However, they have a general duty to mitigate their losses. This means that if cheaper flights were available, then there would be a reasonable expectation that they should have booked the cheaper option. They have provided some evidence that the average cost of return flights would have been around £500 but there is no reliable evidence that they could not have got cheaper flights at the time.

Having considered everything very carefully, I do not therefore think that Mr N and Mrs W have established that they suffered a loss due to misinformation provided by IPA. While they expected their return flights to be paid, IPA was entitled to consider the claim properly and in line with the policy terms and having done so, the claim does not meet the policy terms.

However, I do think IPA could have handled the calls differently and perhaps could have asked more questions. I think the compensation proposed by the Investigator for this is reasonable. It is not to reflect breaches of any rules, as we are not a regulator and therefore I have no power to fine or punish IPA even if I thought there had been a breach of the rules. It is to compensate for the loss of expectation. I expect Mr N and Ms W will say they were

expecting the cost of the flights to be reimbursed and so therefore the award should be for the cost of the flights but that is not the intention. It is to recognise that there has been some disappointment but overall for the reasons given, I do not think IPA is obliged to meet the claim for the flights.

Claim-handling

Complaint-handling is not a regulated activity in its own right, so I am unable to consider any complaint about how long IPA took to deal with the complaint.

My final decision

I uphold this complaint in part and require Inter Partner Assistance SA to pay Mr N and Ms W the sum of £150 compensation for the distress and inconvenience caused by its handling of their claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N and Ms W to accept or reject my decision before 25 July 2025.

Harriet McCarthy
Ombudsman