

The complaint

Mr and Mrs C have complained about the way Inter Partner Assistance SA ('IPA') dealt with and declined their claim.

What happened

Mr and Mrs C bought a travel insurance policy, underwritten by IPA. They were on holiday when Mrs C became unwell and needed medical treatment. They made a claim but IPA declined it as it said all of Mrs C's medical conditions hadn't been declared correctly at the point of sale. And had it known of all her medical conditions, IPA wouldn't have offered them a policy.

Unhappy with IPA's response, Mr and Mrs C referred their complaint to the Financial Ombudsman Service.

Our investigator looked into the complaint and found that IPA hadn't acted unfairly when it declined the claim as a qualifying misrepresentation had been made. But he thought IPA took too long to provide its decision to Mr and Mrs C and recommended it should pay £350 compensation for the poor service and return the premium with 8% simple interest.

Both sides agreed to the above recommendation and IPA paid the compensation. However, it didn't refund the premium plus interest as it said a third party was responsible for refunding the premium and it had asked it to do so.

So the case has been passed to me for a final 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.

Having done so, I agree that this complaint should be upheld. I'll explain why.

- The relevant rules and industry guidelines say an insurer should handle claims promptly and fairly. And shouldn't unreasonably reject a claim.
- The background to this matter is well known to both parties. So I won't repeat the facts here again. Instead I will focus on what I consider to be key to my conclusions.
- Both sides agreed to and accepted our investigator's opinion on this complaint. In summary, Mr and Mrs C had made a qualifying misrepresentation when they bought the policy and so IPA was entitled to decline the claim as it was able to show that it never would have offered a policy had the medical questions been answered correctly (not all medical conditions were declared).
- I've looked at the questions asked and the answers given and I agree that a qualifying misrepresentation was made. This means IPA was entitled to decline the

claim under the relevant legislation which is the Consumer Insurance (Disclosure and Representations) Act 2012 ('CIDRA'), as set out in detail by the investigator.

- Mr and Mrs C accept this. They also accepted £350 compensation for poor customer service and delays and I understand that this has now been paid. I am satisfied the amount of £350 is reasonable overall due to the length of the delay and the impact on Mr and Mrs C as they had to chase IPA for responses, as already explained by the investigator.
- The only outstanding matter is the return of the premium plus interest. As IPA classed Mr and Mrs C's misrepresentation as careless, under CIDRA, IPA should refund the premiums paid. Our investigator recommended this should be refunded plus 8% simple interest from the date the claim was declined to the date of settlement.
- IPA hasn't refunded the premium plus interest as it says a third party is responsible for refunding the premium. I haven't seen any evidence that the third party has refunded the premium plus interest, to date. The premium refund is a matter for IPA as the insurer, and I don't think it's fair or reasonable for Mr and Mrs C to continue waiting for the third party to refund the premium. If the refund and interest remain unpaid, IPA should refund the premium paid, plus 8% simple interest from the date the claim was declined to the date of settlement. It is a matter for IPA if it then pursues the third party itself.

My final decision

For the reasons set out above, I uphold this complaint and direct Inter Partner Assistance SA to refund the policy premium to Mr and Mrs C plus 8% simple interest as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr C to accept or reject my decision before 14 July 2025.

Shamaila Hussain
Ombudsman