

The complaint

Mr B and Mrs S have complained about the delays caused by their travel insurer, Inter Partner Assistance SA ("IPA"), while reviewing a claim they made on their policy.

What happened

I issued a provisional decision regarding this complaint last month where I said I was considering upholding this complaint and awarding Mr B and Mrs S £300 compensation. An extract from that decision follows:

"In September 2023 Mr B and Mrs S took out a single trip travel insurance policy with IPA to cover them for a holiday they were due to take with their son in August 2024.

In August 2024 whilst travelling to their destination, all their luggage which included important medication for Mr B, was lost.

Mr B and Mrs S made a claim on their policy with IPA for the expenses they incurred due to their lost luggage as well as a cancelled flight and unused accommodation. Unhappy with delays in IPA reviewing the claim they complained in September 2024. IPA responded on 16 November 2024 upholding their complaint and offering them £100 compensation. It said that the claim was still being assessed but they would hear from someone shortly.

Unhappy with IPA's response, Mr B and Mrs S brought their complaint to our service. They said the matter was causing them a lot of stress and despite spending a lot of time on the phone chasing IPA, there was still no resolution. While the complaint was with our service, IPA assessed their lost luggage claim and offered them £966.46 compensation for the replacement items.

One of our investigators reviewed the complaint. He said he was only able to review what had happened up to the date of IPA's final response letter and therefore nothing regarding the assessment of the claim. Our investigator acknowledged that IPA had caused delays but he thought its £100 offer was fair and reasonable.

Mr B and Mrs S didn't agree and asked for an ombudsman's decision. They said they felt that £300 compensation would be more appropriate.

The matter was then passed to me to decide.

What I've provisionally 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.

As our investigator already explained, in this decision I am only looking at the delays up to the date of IPA's final response letter which was dated 16 November 2024. As our investigator said, if Mr B and Mrs S are unhappy with IPA's assessment of their claim they may bring a further complaint.

Mr B and Mrs S were due to fly abroad on 1 August 2024. After their flight was cancelled they decided to travel by coach instead but during one of their stops the driver drove off with all their luggage. They missed out on one day's accommodation but also had to buy clothes and supplies as well as visit a hospital to get medication for Mr B while they were abroad. I understand this must all have been very distressing for them.

From what I understand Mr B and Mrs S notified IPA of the claim the day after their luggage was taken. They also mentioned that Mr B is heavily reliant on his medication and will become very ill if he doesn't take it.

Mr B and Mrs S provided receipts and other details of the items they wanted to claim for in August 2024. Though it is not clear exactly on what date this evidence was submitted, it seems there was no delay on their part. IPA said it would review everything by 13 September 2024 but there were further delays.

IPA said it received a complaint from Mr B and Mrs S on 20 September 2024. When it called them a few days later to discuss the complaint IPA offered £50 to resolve the complaint informally but they didn't accept. Mr B and Mrs S said their priority was for their claim to be assessed and wanted IPA to carefully go through the 40 documents they had sent.

As I said above, at the time when Mr B and Mrs S brought their complaint to us IPA hadn't yet assessed it. From what I have seen they were claiming for a number of items but I don't think the claim was so complex that it couldn't be assessed earlier. I also note that IPA was aware that Mr B has a serious health condition and Mrs S also mentioned that she is his carer. I think this would have potentially put them in a vulnerable category and I think this is something IPA should have noted and prioritised the claim.

Insurers have an obligation to review claims within a reasonable time. What we consider to be a reasonable time depends on the specific circumstances of each claim. As I said above, I don't think this was a particularly complex claim. Mr B and Mrs S provided a number of documents but they were mainly receipts and purchase confirmation emails. And as I said above, I think IPA should have noted that they were both potentially vulnerable and prioritised their claim. I think in the specific circumstances where the delay was around three months by the time of IPA's final response, I don't think the £100 offered by IPA for this delay was fair and reasonable. I agree with Mr B and Mrs S and I think £300 would be more appropriate. I think this is more in line with awards we would make in similar circumstances.

Mr B and Mrs S have accepted my provisional decision. IPA hasn't responded and as the deadline for responses has now passed, I decided to proceed with my 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.

As neither party has made any additional comments, the findings I made in my provisional decision now form the findings of this, my final decision.

My final decision

For the reasons above, I have decided to uphold this complaint. Inter Partner Assistance SA must pay Mr B and Mrs S £300 compensation for the distress and inconvenience it caused them. If it has already paid the £100 it previously offered, it must only pay the remaining £200.

Inter Partner Assistance SA must pay the compensation within 28 days of the date on which we tell it Mr B and Mrs S accept my final decision. If it pays later than this it must also pay interest on it from the deadline date for settlement to the date of payment at 8% a year simple.

If Inter Partner Assistance SA considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr B and Mrs S how much it's taken off. It should also give Mr B and Mrs S a tax deduction certificate if they ask for one so they can reclaim the tax from HM Revenue & Customs if appropriate.

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

Anastasia Serdari
Ombudsman