

The complaint

Mrs and Mr C complain that Inter Partner Assistance SA (IPA) declined their travel insurance claim, gave them poor service and mis-sold the policy to them.

My references to IPA include its claims handling agent.

As Mr C has taken the lead on the claim and complaint I'll refer to Mr C to include both complainants unless the facts require otherwise.

What happened

Mrs and Mr C have annual travel insurance to cover them and their family, insured by IPA. They were due to go on holiday abroad but were unable to as their flight was cancelled due to a strike in the country they were going to. The hotel abroad refused to refund the accommodation costs.

Mr C claimed for the lost costs through IPA's online portal but the claim was refused so he called IPA. He spoke to several IPA representatives who he says gave confusing information and he complained to IPA.

On 19 June 2025 IPA's final response letter to Mr C said that in the calls it had wrongly told him he'd had a final response letter. The letter also said IPA had wrongly declined the claim as the delayed departure section of the policy applied, it would reconsider the claim and contact him again. IPA offered Mrs and Mr C £25 for their distress and inconvenience its poor service had caused.

On 23 June 2025 IPA sent Mr C a letter saying the claim wasn't covered under the cancellation section or any other section of the policy.

Mr C complained to us. In brief he said:

- IPA gave him confusing and conflicting information when he phoned.
- IPA's final response letter said his claim was covered but then it changed its mind again which was very unfair.
- He'd checked his 'demands and needs statement' and was confident that when he bought the policy he'd highlighted that he required cancellation cover. The Insurance Product Information Document (IPID) shows he has cancellation cover and IPA was trying to rely on 'the small print' to wrongly decline the claim.
- He hadn't received the £25 compensation IPA said it would pay for his inconvenience. That wasn't enough as he's spent hours on calls and emails having to complain which has caused him a lot of stress.
- If the claim isn't covered then he has been mis-sold the policy and/or it's not 'fit for purpose'.

- He wants IPA to pay the claim for the lost hotel accommodation costs and compensation for his distress and inconvenience.

Our Investigator said IPA had reasonably declined the claim and its offer of £25 to acknowledge its poor service was fair. He explained that Mr C would need to complain to the business which sold him the policy before we could consider whether the policy had been mis-sold.

Mrs and Mr C disagreed and wanted an Ombudsman's decision. Mr C emphasised that the policy documents show cancellation cover and he asked that we look at the 'demands and needs statement' when he bought the policy. Our Investigator explained why he hadn't changed his mind.

As there was no agreement the complaint passed to me to decide.

What I provisionally decided – and why

I made a provisional decision explaining why I was intending to come to a different conclusion than our Investigator and partly uphold the complaint. I said:

'Our Investigator correctly explained that we can't consider Mrs and Mr C's concerns about the policy having been mis-sold and not 'fit for purpose' as part of this complaint. They will need to complain to the business which sold them the policy and if agreement can't be reached they can complain to us about that separate matter. So I haven't asked to see the 'demands and needs statement' or any other document that relates to the policy sale as this decision isn't about whether or not the policy was mis-sold.

This decision is about Mrs and Mr C's complaint about IPA declining the claim and its service.

The relevant regulator's rules say that insurers must handle claims promptly and fairly and they mustn't turn down claims unreasonably. I think IPA reasonably declined the claim but its offer of compensation for Mrs and Mr C's distress and inconvenience due to its poor service wasn't a fair amount. I'll explain why.

IPA ultimately declined the claim because it said the circumstances of the claim weren't covered by the policy terms. It referred to this policy wording:

"What is not covered - applicable to all sections of the policy

We will not pay for claims arising directly or indirectly from...

18. Non listed peril Under all sections, any claim arising from a reason not listed under What is covered".

The policy schedule shows Mrs and Mr C took the 'Bronze Gadget' product when they took out the travel insurance policy. The IPID, which highlights the key features of the policy, lists the headings of cover. Those headings include 'Cancellation or Curtailment'. Mr C says the IPID shows his claim is covered. The wording he's referred to says:

"What is insured?

Main benefits

CANCELLATION OR CURTAILMENT

Up to £1,500 for your proportion of any irrecoverable unused travel and accommodation costs and pre-paid charges that you have paid or are contracted to pay, because of one or more of the specific perils listed within your policy".

The IPID wording is clear that cancellation cover applies only if there's a claim for "one or more of the specific perils listed within your policy". The heading of the IPID includes the wording:

“The information provided in this document is a summary of the key features and exclusions of the policy and does not form part of the contract between us. Full details about the product are provided in your policy documents”.

So the IPID is also clear that the policyholder needs to refer to the policy document to see what events are covered under the cancellation section of the policy.

The ‘Cancellation’ section at page 23 of the policy document Mr C sent us says under the “*What is covered*” heading that IPA will cover irrecoverable unused travel and accommodation costs if a trip has been cancelled as “*a result of any of the following events...*”. The policy then sets out nine insured events. Those insured events don’t include a holiday being cancelled because of a strike in the country where a policyholder was due to travel.

Mrs and Mr C are covered for cancellation but only for the nine insured events listed in the policy. As their claim was due to another reason the claim isn’t covered under the cancellation section of the policy terms.

IPA’s final response letter said the claim should be considered under the delayed departure section in the policy. But the ‘Bronze Gadget’ policy, which Mrs and Mr C have, doesn’t include delayed departure or travel disruption cover.

IPA correctly ultimately declined the claim in line with the terms of Mrs and Mr C’s policy as the claim wasn’t covered by the policy terms.

I also need to decide what’s fair and reasonable in all the circumstances of the complaint. It’s for an insurer to decide what risks it wants to insure and different policies provide different levels of cover. The IPID headings of cover for this policy don’t include delayed departure or travel disruption so I think IPA had sufficiently highlighted that this policy didn’t include those types of cover. I can’t reasonably say IPA has to cover the claim.

IPA’s final response letter wrongly said it was incorrect to decline the claim but I don’t think that means it has to pay a claim which isn’t covered by the policy. I have taken the matter into account when considering the service it gave to Mrs and Mr C.

IPA’s final response letter accepted that it hadn’t handled the claim as it should have done and offered £25 compensation for Mr C’s distress and inconvenience. But the final response letter itself gave further poor service, it wrongly said the claim “*has been incorrectly declined*”. The letter went on to say the claim would be passed back to IPA’s claims department for reassessment but I think Mr C reasonably believed the claim would be paid. Understandably he was confused, upset and annoyed when four days later IPA wrote to say the claim wasn’t covered. He and Mrs C also had loss of expectation of the claim being paid.

Mr C says he’s spent a lot of time on the complaint to try to get IPA to pay the claim. I don’t generally make an award of compensation for the time a consumer spends in making a complaint and there’s no reason for me to do so in this case. I think Mrs and Mr C would always have made a complaint to us because he thought the claim was covered by the cancellation section of the policy.

But I don’t think IPA’s offer of compensation was enough for all the unfair service it gave to Mrs and Mr C. Looking at IPA’s overall poor service I think £150 compensation, inclusive of the £25 it’s already offered, is a reasonable amount to acknowledge the distress, inconvenience and loss of expectation its poor service caused’.

Responses to my provisional decision

Neither Mrs C, Mr C or IPA responded to my provisional 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 Mrs C, Mr C or IPA responded to my provisional decision I've no reason to change my mind. For the reasons I've given in my provisional findings and these findings I think IPA reasonably declined the claim. I don't think IPA's offer of compensation was enough for all the unfair service it gave to Mrs and Mr C. IPA must pay them £150 compensation, inclusive of the £25 it's already offered to acknowledge their distress, inconvenience and loss of expectation its poor service caused.

My final decision

I partly uphold the complaint and require Inter Partner Assistance SA to pay Mrs and Mr C £150 compensation, inclusive of the £25 already offered, to acknowledge their distress, inconvenience and loss of expectation its unfair service caused.

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 12 January 2026.

Nicola Sisk
Ombudsman