

The complaint

Mr J and Mrs K are unhappy that Inter Partner Assistance SA ('IPA') declined a cancellation claim made under their travel insurance policy ('the policy').

What happened

Mr J and Mrs K cancelled a holiday abroad because Mr J's father sadly died two weeks before they were due to travel. IPA declined the claim, relying on the following term in the policy (which applies to the cancellation section):

You will not be covered...for...at any time from...

Any medical condition affecting...a close relative that you are aware of, that could reasonably be expected to result in a claim on this policy.

I'll refer to this as 'the medical condition term'.

Mr J and Mrs K disagreed but IPA maintained its decision was fair. Mr J and Mrs K then brought their complaint to the Financial Ombudsman Service. Our investigator looked into what happened and upheld the complaint. She recommended IPA reassess the cancellation claim. IPA disagreed and raised points in reply.

These didn't change our investigator's opinion, so the complaint was passed to me to consider everything afresh to decide. I issued my provisional decision explaining why I was also intending to uphold the complaint but intending to direct IPA to do something different to put things right. I said:

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IPA has a regulatory obligation to handle insurance claims fairly and promptly. And it mustn't unreasonably decline a claim.

Subject to the remaining terms of the policy, the policy does provide cover for cancelling a trip and that includes cancellation because of the death of a close relative. The definition of close relative under the policy terms includes 'your father'.

It isn't disputed that:

- Mr J and Mrs K cancelled a trip because of the death of Mr J's father.
- Mr J's father died on the same day that the policy was taken out and that he'd been in hospital for several days. IPA's notes reflect that the policy was applied for at around 1.30pm.

IPA has relied on the medical condition term to decline the claim.

Mr J says that he took out the policy as he had some time free that day and was in a shop car park having bought some new slippers and pyjamas for his father. He and his family

were expecting Mr J's father to be discharged that day.

Mr J also says that:

- his father had been admitted to hospital because of water retention in his legs but water had been drained from his legs.
- his father had been admitted to hospital for the same reason a few months before and had been discharged after around a week after receiving similar treatment. There was no reason for him and his family to suspect anything differently this time.
- in the evening, his father took an unexpected turn for the worse and, very sadly and suddenly, died.

I'm satisfied that Mr J's account has been consistent overall. In the absence of anything to the contrary, I find his account to be persuasive and plausible. I accept what he says.

The death certificate of Mr J's father reflects the cause of death to be 1(a) heart failure and bronchomalacia and 1(b) primary pulmonary hypertension. In response to our investigator's opinion recommending the complaint be upheld and IPA reassess the claim, IPA says:

From a search online regarding water retention in the legs the following is considered relevant: water retention in the legs...is a common condition where excess fluid builds up in the tissues of the legs, causing swelling and discomfort. It can be caused by various factors including prolonged sitting or standing, high salt intake, certain medications and underlying medical conditions like heart failure or kidney problems. While often harmless, persistent or severe swelling may indicate a more serious issue and should be evaluated by a healthcare professional.

Given the proximity between the date the policy was taken out and Mr J's father's death (along with the fact that he was an inpatient at the time the policy was taken out), I can understand why IPA has sought to rely on the medical condition term. However, the medical condition term refers to cover not being in place if the claim is for any medical condition which Mr J and Mrs K are aware of (in respect of a close relative), that could reasonably be expected to result in a claim on this policy.

I'm satisfied that Mr J and Mrs K were aware that Mr J's father had water retention in his legs. However, I haven't seen any medical evidence which persuades me that at the time of taking out the policy, they were told, made aware that this condition could deteriorate or was likely to result in heart failure, or was in any likely to result in them having to cancel their trip - and therefore reasonably be expected to result in a claim under the policy.

In the circumstances of this case, I don't think the medical condition term referred to above has been established. Therefore, I'm not satisfied it's fair and reasonable for IPA to rely on the medical condition term to decline the claim.

I accept that Mr J's family were expecting his father to be home later the same day the policy was taken out. And there was no reason for them to believe that the water retention in his father's legs would result in the trip (which was booked for a couple of weeks later) to be cancelled because of this condition.

I'm also satisfied that IPA didn't progress the claim as quickly as it ought to have done. It took IPA a few months to provide a claims' outcome. I can't see that there is a reasonable reason for this. I'm satisfied this would've been frustrating for Mr J and he was put to the trouble of having to chase IPA for updates. This would've exacerbated an already difficult time when he was grieving the death of his father. I intend to find that IPA should pay Mr J and Mrs K £100 compensation to reflect the impact on Mr J.

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I invited both parties to provide any further information in response to my provisional decision. Mr J and Mrs K accepted my provisional decision. IPA said it had nothing to add.

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 haven't received any substantive information to consider in response to my provisional decision so, I'm satisfied there's no compelling reason for me to depart from my provisional findings. For this reason, and for reasons set out in my provisional decision (referenced above and which form part of this final decision), I uphold Mr J and Mrs K's complaint.

Putting things right

I direct IPA to pay to Mr J and Mrs K:

- A. the cancellation claim less any deductions it's entitled to make under the policy terms (for example, the applicable policy excess and air passenger duty).
- B. simple interest at a rate of 8% on the amount in A. above dated from a month after the claim was made to the date of settlement. If IPA considers it's required by HM Revenue & Customs to take off income tax from any interest paid, it should tell Mr J and Mrs K how much it's taken off. It should also give them a certificate showing this if they ask for one. That way Mr J and Mrs K can reclaim the tax from HM Revenue & Customs, if appropriate.
- C. £100 compensation for distress and inconvenience.

My final decision

I uphold this complaint and direct Inter Partner Assistance SA to put things right as set out above. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J and Mrs K to accept or reject my decision before 14 January 2026.

David Curtis-Johnson
Ombudsman