

The complaint

Ms W complains about a travel insurance policy that was provided by Inter Partner Assistance SA (“IPA”), and the information it gave her.

What happened

Ms W bought a backpacker travel insurance policy to cover her working holiday trip abroad between 24 April 2024 and 23 April 2025. She travelled abroad on 24 April 2024 and spent the first months travelling for leisure. But in December 2024 she got in touch with IPA to ask if her policy still covered her as she had started working.

IPA first told her that the policy only covered leisure travel, so it didn’t provide cover for work-related trips. But IPA later gave information following a general query (through a broker) that Ms W thought contradicted this, along with the policy wording on which activities were covered.

When IPA told Ms W she wasn’t covered under the policy, she bought a new policy to cover the remainder of her trip from 18 December 2024 onwards. She wants IPA to refund her the premium she paid for her policy, as well as the new policy, along with compensation for the distress and inconvenience caused due to the conflicting information and unclear policy terms.

When IPA responded to Ms W’s complaint, it said that the policy only covered leisure trips, but it didn’t respond to the specific points she had raised. So, when one of our investigators reviewed the complaint, she thought IPA should pay Ms W £100 in compensation for this, as well as for not responding to her promptly. However, the investigator didn’t think she could hold IPA responsible for the sale of the policy, or the fact that Ms W bought another policy. And she didn’t think the policy terms included cover for working whilst on a trip.

IPA agreed with the investigator’s findings, but Ms W didn’t. As no agreement was reached, the complaint was passed to me to decide. I issued my provisional decision in January 2026. Here’s what I said:

“Ms W’s policy defines “Trip(s)” as follows:

“The period of time spent away from your home for leisure travel. Cover is provided for the period of the trip and finishes when the trip ends, providing the trip doesn’t exceed the period shown in the policy certificate [...] Your policy is valid where the trip starts and finishes in the UK.”

IPA says the policy is only valid for leisure travel. Ms W says that the policy terms for what sports and activities are covered as standard contradicts this as this includes “Administrative, clerical or professional occupations”. However, the introduction to this section sets out that the policy will only cover the sports and activities listed “when you are participating on a recreational and non-professional basis during any trip”. So, I don’t think the policy terms suggest that there’s cover for travel that includes work.

Ms W's trip included both leisure and work, as she was on a year long working holiday. IPA has recently explained that it would consider the policy invalid due to Ms W using it to cover herself for her work trip. This would mean it was never on risk. But IPA has also previously said that where a policyholder travels for work, but also travels for leisure, it can look to consider this under the policy terms. So, it seems to me that IPA isn't completely clear whether the leisure part of Ms W's trip was covered or not.

I've then considered what I think is fair and reasonable in all the circumstances.

It's clear that Ms W would always have bought a travel insurance policy to cover her trip. And considering IPA's conflicting information, it may have been fair and reasonable for it to consider any claims she made before she started working, as the first part of her trip was for leisure. So, I don't think it would be fair for me to ask IPA to refund Ms W the premium she paid for this time period.

However, I think it's clear that once Ms W started working, she no longer held cover under the policy. This means that IPA was no longer on risk. Considering this, and the conflicting information, I currently think a fair outcome is for IPA to issue a pro-rata refund of the premium Ms W paid for the remaining time on cover from when she started working, or when her new policy took effect on 18 December 2024, whichever is earlier. It would be for Ms W to provide reasonable evidence to show when she started working, if this was prior to the start date of her new policy.

I don't think it would be fair for IPA to refund the premium Ms W paid for her new policy, as it's clear she wanted to have cover for the remainder of her trip. However, I agree with the investigator that IPA should have handled everything better and more promptly. So, I think it should pay her £100 in compensation for the distress and inconvenience caused. I also think it should pay her interest on the pro-rata premium refund, as I think this is something it should have considered earlier."

Ms W responded to my provisional decision and said she had nothing further to add. And IPA responded and said it was in agreement with my provisional decision. As both parties have had the opportunity to review and respond to my provisional findings, I'm issuing 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 gave me any new information to consider, I see no reason to depart from the findings I reached in my provisional decision. So, I've reached the same conclusions, for the same reasons.

Overall, I don't think IPA acted fairly or reasonably in the circumstances of Ms W's complaint, for the reasons I set out in my provisional decision. And it should put things right in the way that I've set out below.

My final decision

My final decision is that I uphold Ms W's complaint and direct Inter Partner Assistance SA to take the following action:

- pay Ms W a pro-rata refund of the premium she paid from the date she started working (subject to her providing reasonable evidence of this), or from 18 December 2024 when she bought a new policy, whichever is earlier,

- add 8% simple interest on the above amount from the date the final response was issued until settlement*, and
- pay Ms W £100 compensation for the distress and inconvenience caused**.

*If IPA considers that it's required by HM Revenue & Customs to take off income tax from the interest, it should tell Ms W how much it's taken off. It should also give Ms W a certificate showing this if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

**IPA must pay the compensation within 28 days of the date on which we tell it Ms W accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% simple per annum.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 16 February 2026.

Renja Anderson
Ombudsman