

The complaint

Ms K and Mr F complain that Inter Partner Assistance SA (IPA) hasn't paid a cancellation claim they made on a travel insurance policy.

What happened

In November 2022, Ms K and Mr F booked a holiday abroad. They were due to travel in July 2023. However, in February 2023, Mr F was offered a role with one of the emergency services and he wasn't able to travel on the planned holiday dates due to training requirements. At that point, Ms K contacted IPA to ask whether she'd be able to make a claim for Mr F's cancellation costs. She was told she could make a claim and submit it to IPA. Subsequently, in August 2023, Ms K made a claim for Mr F's share of the cancellation costs.

IPA turned down the claim. It said the circumstances of the claim weren't covered by the policy terms.

Ms K and Mr F were unhappy with IPA's position and they asked us to look into their complaint. They said Ms K had called IPA to check whether Mr F's situation would be covered and had been told it would be.

Our investigator didn't think Ms K and Mr F's complaint should be upheld. She noted that the policy covered cancellation of a trip due to the emergency services cancelling authorised leave or because they'd been called-up for operational reasons. But she didn't think Mr F had had pre-authorised leave which had been revoked and nor did she think he'd been called-up for operational reasons. And having listened to the calls between Ms K and IPA, she didn't think Ms K had been told that the claim costs would be covered.

Ms K and Mr F disagreed. Ms K maintained that she'd been led to believe that Mr F's cancellation claim would be covered. And she said that she'd relied on this misinformation to her detriment. That's because she said that if she'd been given the correct information, she'd have arranged for another person to take Mr F's place on the trip and would only have incurred the relevant administration fees. Ms K also feels that IPA wrongly claimed it had sent claim decline letters when it hadn't.

The complaint's been passed to me to decide.

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, whilst I'm sorry to disappoint Ms K and Mr F, I don't think it was unfair for IPA to turn down their claim and I'll explain why.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the policy terms and conditions and the circumstances of this claim, to decide whether I think IPA treated Ms K and Mr F fairly.

I've first considered the policy terms and conditions, as these form the basis of the contract between Ms K, Mr F and IPA. Ms K and Mr F made a cancellation claim, so I think it was appropriate for IPA to consider their claim under this section of the policy. The contract says:

'We will pay you up to £1,500 for your proportion only of any irrecoverable unused travel and accommodation costs (including excursions up to £250) and other pre-paid charges which you have paid or are contracted to pay, together with your proportion only of any reasonable additional travel expenses incurred if cancellation of the trip or one-way trip is necessary and unavoidable as a result of any of the following events:

.....

6. *You or any person who you are travelling or have arranged to travel with, are a member of the Armed Forces, Territorial Army, Police, Fire, Nursing or Ambulance Services or employees of a Government Department and **have your/their authorised leave cancelled or are called up for operational reasons**, provided that the cancellation could not reasonably have been expected at the time when you purchased this insurance or at the time of booking any trip or one-way trip.'* (My emphasis added).

There's no dispute that Mr F wasn't able to travel because he'd been offered a role with one of the listed emergency services above and wasn't permitted to take leave during his training period. It's also clear that Ms K and Mr F had booked the holiday some time before Mr F was offered the role and so I appreciate the cancellation wasn't reasonably foreseeable at the time they booked the trip.

However, like the investigator, I don't think it was unfair for IPA to conclude that the claim wasn't covered under this section of the policy. That's because Mr F hadn't had pre-authorised leave which was later cancelled. No leave was permitted at all while he was training. And nor do I think I could reasonably find Mr F was called-up for operational reasons, which we'd generally consider to be a regional or national emergency response which required the cancellation of all leave. In this case, Mr F was beginning training for a new job rather than being called-up for an emergency response.

And, having considered the remaining terms of the cancellation section of the policy, I don't think it was unfair for IPA to conclude that there was no cover for the circumstances of Mr F's and Ms K's claim.

I appreciate that when Mr F was offered the role, Ms K did call IPA to check cover. She feels she was provided with incorrect information, which she relied on to her financial detriment. I've listened to those calls. And while I think the call handler could have perhaps been a bit clearer overall, I don't think they told Ms K that any claim would be covered. I think they correctly pointed out the relevant policy terms; explained that any claim would need to be assessed and explained what evidence Ms K would need to provide to support a claim. I don't think the call handler led Ms K to believe the claim would definitely be paid and I think they were clear enough that the documents would need to be reviewed.

Ms K says had she been told Mr F's costs wouldn't be covered, she'd have arranged for someone else to travel and paid the rearrangement administration fees. However, I wouldn't reasonably have expected the call handler to be in a position to confirm or decline cover until the claims team had all of the information it needed to fully assess a claim. As such then, I

don't think I could fairly find that IPA provided Ms K with any misleading or inaccurate information which caused her financial position to be prejudiced.

Additionally, Ms K feels that IPA incorrectly told her claim decline letters had been sent when they hadn't been. I can see IPA produced a claim decline letter on 16 August 2023 – a couple of weeks after the claim was first made. It doesn't appear Ms K received this and it isn't clear whether it was sent at that point. But based on the available evidence, I don't think IPA deliberately sought to mislead Ms K. And I'm satisfied she was aware of the decline by early October 2023 – a few weeks after the claim was first made. So I don't think there were such unreasonable delays in communicating with Ms K or errors in IPA's claims handling which would lead me to conclude that she'd been caused material distress or inconvenience. Therefore, in these circumstances, I don't think it would be appropriate for me to make an award of compensation.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F and Miss K to accept or reject my decision before 15 April 2024.

Lisa Barham
Ombudsman