

# [News story: Licence stripped from holiday sickness firm](#)

Intelligence gathered by the Claims Management Regulator (CMR) officers revealed that Lancashire based Allsure Ltd had encouraged holiday-goers to fabricate or embellish symptoms of gastric illness to get compensation. Further evidence showed the firm had used deceptive sales scripts – exaggerating expected pay-outs to entice consumers.

This conduct has led to the firm's licence being cancelled. This means that it can no longer offer regulated claims management services to new or existing clients.

Kevin Rousell, Head of the Claims Management Regulator said:

We will take firm action against claims businesses which engage in serious misconduct.

Seeking to encourage false claims will not be tolerated.

CMR, based at the Ministry of Justice, regulates companies that offer to help people claim compensation for issues such as personal injury and mis-sold financial products.

The action taken against Allsure Ltd is the latest in a series of moves by government to crackdown on fake sickness claims, following concerns from the travel industry of a surge in insurance claims for gastric illnesses like food poisoning being brought by British holidaymakers.

In July ministers stepped in to reduce cash incentives in bringing spurious claims against package holiday tour operators. Under these proposals tour operators would pay a prescribed sum depending on the value of the claim, making the cost of defending a claim predictable.

## Notes

- during an audit, CMR identified potential systematic failings in Allsure Ltd's sales scripts and call recordings
- following an investigation which commenced in February, Allsure Ltd was found to have breached the conduct rules when making marketing calls to consumer for holiday sickness claims by:
  - making false or unsubstantiated claims and misleading statements about the amounts due to consumers
  - trying to coach consumers in providing the answers needed to meet the criteria for making a claim
- Allsure Ltd is based in Preston, Lancashire and has been operating in the personal injury claims sector since 22 April 2014.
- [information on the cancellation](#) is available on the Justice website

- the business can appeal the cancellation of their authorisation, and they have 28 days to make their representations to the First-Tier Tribunal.
- in July ministers announced a [crackdown](#) on fake holiday sickness claims
- further information on the action CMR is taking to tackle misconduct in holiday sickness claims can be found in the [CMR quarterly enforcement update](#)