

## **The complaint**

Mr T is unhappy with the way AWP P&C SA (“AWP”) has handled his travel insurance claim.

Any reference to AWP also includes its agents.

## **What happened**

Mr T booked a trip abroad, travelling on 2 August 2019 and returning to the UK on 29 April 2020. He purchased a travel insurance policy, insured with AWP, to cover this trip. Mr T travelled to his destination as planned.

By 28 April 2020, Mr T had become aware that his return flight had been cancelled. This was as a result of the ongoing situation with the Covid-19 pandemic, with lockdowns being enforced across the country he was in and the borders closing. He contacted AWP in order to find out what he could claim for under the policy and received a response to say he would be contacted within five to seven working days.

Mr T didn't return to the UK until October 2020 and incurred additional accommodation and living expenses during his extended stay. He also had to purchase a new flight to get back home. As he hadn't received a reply to his previous email, he contacted AWP again in December 2020 to complain and to ask about making a claim for the costs he had incurred. Mr T sent further correspondence over the next few months but didn't receive a response – so in April 2021 he brought his complaint to our service. Mr T then received a response from AWP in which it advised that there was no cover under the policy for the expenses he incurred whilst abroad.

Our investigator looked into the complaint. She said that AWP's decision to decline the claim was fair. However, she found that there were delays in assessing Mr T's claim and advising him on the cover under the policy. She recommended that AWP pay Mr T £200 in compensation to reflect the delays in handling the claim.

AWP didn't respond to our investigator's view and so the complaint has 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.

The relevant rules and industry guidelines say that insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules into account when deciding what I think is fair and reasonable in the circumstances of this complaint.

### *The policy terms and conditions*

The policy Mr T held includes terms and conditions relating to the cover provided. Under the heading “*Cancellation or curtailment charges – section 1*” the policy says it will provide cover

for curtailment which it describes as “*You cut Your journey short (curtail) after it has begun...*”.

In addition to this, the policy includes a list of general exclusions which apply to all sections of cover. In this section it says that it doesn't provide cover for any claim arising from or relating to “*any epidemic or pandemic*”.

*Has the claim been declined fairly?*

Mr T had to make alternative arrangements to travel back to the UK when his airline cancelled his original return flights. The policy does provide cover for curtailment or cutting short your trip. However, Mr T didn't cut short his trip – in fact he returned back to the UK five months later than originally planned. The policy is clear that cover is only provided for those who cut short their journey - there isn't any mention of cover for situations where additional costs are incurred by coming home after the original return date.

I'm also aware that the policy has a general exclusion relating to any claims arising from or relating to an epidemic or pandemic. Mr T has told us that the air and seaports were closed and there were lockdowns in place in the country he was visiting as a result of the Covid-19 pandemic. The World Health Organisation (WHO) declared Covid-19 as a pandemic on 11 March 2020. As the cause of Mr T's additional expenses arose from the Covid-19 pandemic, there is no cover for his claim.

I can appreciate that this was an incredibly stressful situation for Mr T and I'm in no doubt that what happened was entirely outside his control. However, no insurance policy can cover every eventuality, and on this occasion, I'm persuaded that there is no cover for Mr T's claim. I'm satisfied that AWP's decision to decline the claim was reasonable, based on the policy terms and conditions.

*Customer service and claims handling*

Mr T has complained about the lack of contact from AWP in relation to his enquiries and his claim. He first contacted AWP in April 2020 while he was still abroad. He received what appeared to be two standard automatic email replies which acknowledged receipt of his enquiry with one stating that he would receive a response within five to seven working days. This never happened. From December 2020 until April 2021, Mr T made numerous attempts to contact AWP but still didn't receive any meaningful response. It wasn't until May 2021 that Mr T received a reply in relation to his claim. Our investigator recommended AWP paid £200 to compensate him for the delays in handling his claim.

I can appreciate how frustrating this must have been for Mr T. It was over a year from his first contact before he was told that he wouldn't be receiving reimbursement of his expenses – and I'm aware this was not an insignificant sum. So, I do think AWP could have contacted Mr T a lot sooner to let him know the likely outcome of his claim.

But I do also need to take into consideration that this was an unprecedented situation and Covid-19 was having a significant impact on the travel insurance industry. So, I don't think it is unreasonable that this would have had some impact on the normal levels of service provided.

I've thought about this point carefully and considered the impact that this delay had on Mr T and his claim. And whilst Mr T has clearly been inconvenienced by this delay, I don't think that earlier notification of the lack of cover for such a situation would have meant he wouldn't have incurred these costs. Mr T would still have had to pay his living expenses until he was able to return home and he would also have needed to purchase a new flight.

Mr T has also said that the delay meant he was unable to pursue other avenues of reimbursement as the deadline for such claims had passed. I appreciate his point of view, but Mr T could have sought reimbursement elsewhere at any point during this time – he wasn't prevented from doing so as a result of AWP's lack of contact.

Taking everything into account, I'm satisfied that a sum of £200 is a fair and reasonable amount to compensate Mr T for the delays in handling the claim.

### **Putting things right**

AWP needs to pay Mr T the sum of £200 as compensation for the delays in responding to his enquiries about his claim.

### **My final decision**

For the reasons mentioned above, I'm partially upholding this claim.

AWP P&C SA needs to put things right as detailed.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 6 July 2022.

Jenny Giles  
**Ombudsman**