

## **The complaint**

Mr and Mrs K complain about how AWP P&C SA dealt with a claim against their travel insurance policy. Reference to AWP includes its agents.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here in full. In summary, in late 2019, Mr and Mrs K booked a trip with intended departure and return dates of 9 April 2020 and 16 April 2020 respectively. On 10 March 2020, Mr K bought a single trip travel insurance policy.

On 10 March 2020, Mr K's mother died. On 16 March 2020 the government of Mr and Mrs K's intended destination imposed a travel ban on UK citizens. On 17 March 2020, the Foreign, Commonwealth and Development Office, formerly the Foreign & Commonwealth Office (FCDO) advised against all but essential travel abroad. That advice remained in place at the time of Mr and Mrs K's intended departure. The airline cancelled Mr and Mrs K's flights.

Mr and Mrs K say that they couldn't travel because of the death of Mr K's mother and the restrictions imposed in response to covid-19. Mr K contacted AWP in relation to a claim for the cost of their flights. AWP declined the claim. It relied on an exclusion in the policy in relation to claims arising from or relating to any epidemic or pandemic. It also said that Mr and Mrs K had recovered their loss from the airline, as it had offered a voucher. Mr K complained to AWP. I understand that the airline has now refunded the cost of the flights.

Mr and Mrs K say that AWP made Mr K feel like he was making a fraudulent claim when he first notified it of their claim. Mr K says that this caused him distress at an already difficult time following the death of his mother. Mr and Mrs K say that AWP mis-sold them the policy as it didn't make it clear when they bought the policy that it wouldn't cover claims arising out of covid-19. Mr and Mrs K say that if they had known the true position, they wouldn't have taken out the policy. They want compensation and a refund of their premium.

One of our investigators looked at what had happened. She said that as the airline had now refunded the flight costs, there were no losses to be paid under the claim. The investigator didn't think that the policy had been mis-sold to Mr and Mrs K. She noted that AWP hadn't provided the information she'd asked for but on the basis of what Mr K said, she thought that AWP should pay Mr and Mrs K compensation of £100 in relation to customer service issues when Mr K first made the claim.

AWP didn't respond to the investigator's recommendation. As there was no agreement between the parties, the complaint was 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.

AWP hasn't responded to this service's request for information, so I've proceeded on the basis of information provided by Mr and Mrs K.

As the airline has now refunded Mr and Mrs K's flight costs, I don't need to determine their claim against the policy, as they have recovered their loss.

AWP is the underwriter of the policy. The policy states that AWP hasn't provided Mr and Mrs K with any recommendation or advice about the suitability of the policy. But AWP is obliged to provide Mr and Mrs K with information that's clear and not misleading so they can make an informed decision about whether to buy the policy. I think AWP did that here when it provided Mr and Mrs K with the terms and conditions of the policy and the insurance product information document.

In the particular circumstances of this case, I don't think that AWP was obliged to draw Mr and Mrs K's attention to the general exclusion in relation to claims arising from or related to any epidemic or pandemic. That's not an unusual exclusion in a policy like this. And it's important to note that on the date Mr K bought the policy, the World Health Organisation hadn't yet declared covid-19 a pandemic. There are no grounds on which I could fairly direct AWP to refund the premium Mr and Mrs K paid.

Mr K has made allegations about how AWP treated him in a phone call when he first notified it about their claim. AWP hasn't provided the information this service has requested about this. So, I'm proceeding on the basis of the information Mr K has provided.

AWP is entitled to make enquires about the circumstances of the claim. In the particular circumstances here, I think it's understandable that AWP asked Mr K about the timing of his purchase of the policy. But Mr K says that it did so in a way that caused him distress at an already difficult time and made him think that AWP believed he was making a fraudulent claim. In the absence of any rebuttal by AWP, I accept what Mr K says about this.

I agree with the investigator that compensation of £100 is fair and reasonable in relation to the distress and inconvenience caused by AWP's initial handling of Mr and Mrs K's claim. In reaching that view, I've taken into account the nature, extent and duration of the distress and inconvenience caused by AWP's actions in this case.

### **Putting things right**

In order to put things right, AWP should pay Mr and Mrs K compensation of £100 in relation to their distress and inconvenience.

### **My final decision**

My final decision is that I uphold Mr and Mrs K's complaint. AWP P&C SA should now take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K and Mrs K to accept or reject my decision before 22 August 2022.

Louise Povey

**Ombudsman**