

The complaint

Mr C and Miss G have complained about delays by AWP P&C SA in dealing with a claim they made for cancelled flights.

What happened

In spring 2022, Mr C and Miss G booked flights for a holiday in April. Unfortunately, they had to cancel the holiday. The cost of the flights was non-refundable. So they submitted a claim for the cost to AWP.

Mr C says he received an acknowledgement of the claim. But since then he's not heard anything from AWP to update him on its progress. Nor have AWP responded to the complaint he sent them in the middle of May. So he brought his complaint to our service.

Our investigator contacted AWP to request their business file. AWP haven't responded. So the investigation based his conclusions on the information provided by Mr C and Miss G.

The investigator noted AWP has a duty to handle claims promptly and fairly. He'd not seen any evidence that the delays in the claim were unavoidable. And he noted that correspondence chasing the matter up hadn't been responded to. This had inconvenienced Mr C and Miss G. The investigator said AWP should pay them £150 compensation for that inconvenience.

Mr C and Miss G agreed with the investigator's view. AWP haven't responded. So I've been asked to make a 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.

Having done that, I'm upholding Mr C's and Miss G's complaint. I'll explain why.

As AWP didn't respond to the investigator's view, I have – like him – had to base my decision on what Mr C has told us on behalf of Miss G and himself.

The Insurance: Conduct of Business sourcebook of the FCA Handbook (ICOBS) sets the standards insurers should meet. ICOBS 8.1.1 says insurers must:

“(1) handle claims promptly and fairly;

(2) provide reasonable guidance to help a policyholder make a claim and appropriate information on its progress....”

Based on the information Mr C and Miss G have provided, I don't think AWP have done that. The claim was submitted in March – now eight months ago. I think it's reasonable either for it to have been determined by now, or for Mr C and Miss G to have received an explanation of why that's not possible. And I don't think that's a fair way for AWP to have dealt with their

claim.

Putting things right

Mr C and Miss G told us they wanted AWP to pay the claim. I can't direct AWP to do that, because they're entitled to investigate and make a decide whether or not to accept or reject the claim. But I'd expect them to do that now, or to explain to Mr C and Miss G why that consideration will be further delayed.

But I do agree with our investigator Mr C and Miss G have clearly been inconvenienced by the delay and lack of communication that caused them to bring their complaint to us. And I agree £150 is a reasonable sum for AWP to recognise that inconvenience.

My final decision

For the reasons I've explained, I'm upholding Mr C's and Miss G's complaint about AWP P&C SA and directing AWP to pay them £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Miss G to accept or reject my decision before 16 December 2022.

Helen Stacey
Ombudsman