

## **The complaint**

Mr and Mrs S complain that AWP P&C SA paid only part of their 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, Mr and Mrs S have annual travel insurance policy underwritten by AWP which they took out in September 2021. They booked a family trip with intended departure and return dates of 15 December 2021 and 22 December 2021 respectively. Unfortunately, on 21 December 2021, one of Mr and Mrs S' daughters had an ear infection and was unable to fly home as planned. Mr and Mrs S sought medical help for their daughter. Mrs S and one daughter returned home as planned. Mr S remained with the other daughter until their delayed return on 24 December 2021, when she was fit to fly.

On 29 December 2021, Mr and Mrs S made a claim against their policy in relation to various expenses. On 9 March 2022, AWP told Mr and Mrs S that it would settle their claim in part. It subsequently paid £1,707.26 in relation to certain medical, travel and accommodation costs. AWP didn't reimburse Mr and Mrs S for the following items in their claim:

- food,
- cash withdrawal fee,
- additional PCR tests,
- travel costs to the airport at their destination,
- travel costs from the airport in the UK,
- travel costs relating to additional PCR tests and
- airport lounge access.

Mr and Mrs S complained that AWP hadn't settled their claim in full. They are also concerned about how AWP handled their claim.

One of our investigators looked at what had happened. She said that as AWP hadn't provided this service with information we had asked for, she proceeded on the basis of the information provided by Mr and Mrs S.

The investigator said that AWP should have reimbursed Mr S' cost of travel to the airport at the destination and from the airport in the UK to Mr and Mrs S' home. She said that AWP should pay those parts of the claim and pay interest. The investigator didn't think that AWP had acted unfairly in declining the other items of the claim set out above. She didn't think that the time taken for AWP to deal with the claim warranted compensation.

Mr and Mrs S didn't agree with the investigator. They said that the policy was sold as a Covid-19 policy, so should cover additional testing. Mr and Mrs S said that they took all steps to avoid additional costs. They dispute that the taxi fares are not included in their cover. Mr and Mrs S disagree that the time AWP took to settle part of their claim was reasonable.

As there was no agreement between the parties, the complaint was passed to me to decide.

### **My provisional decision**

On 16 November 2022, I sent both parties my provisional decision in this case. I said that I intended to uphold the complaint for different reasons and with a different outcome than has been suggested before.

I said that under the terms of the policy, Mr S' travel costs to the airport at their destination and from the UK airport to home are covered under emergency medical expenses as they are reasonable repatriation expenses. So, AWP should reimburse Mr and Mrs S in relation to those items and pay interest on those amounts.

I said that there's no cover under the policy for cash withdrawal fees or the cost of airport lounge access. So, I didn't think that AWP was at fault in not reimbursing those items. I said that AWP was entitled to rely on exclusions in the policy in relation to taxi fares, food and drink expenses and additional PCR tests.

I said that, in the particular circumstances here, AWP took too long to deal with the claim and that it should pay interest on the partial settlement it paid in March 2022. I said that it should also pay compensation of £100 in relation to Mr and Mrs S' distress and inconvenience caused by its handling of their claim.

### **Responses to my provisional decision**

Mr and Mrs S said that they accepted my provisional decision. AWP said that it had nothing further to add.

### **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.

As neither party has made any further substantive comment I see no reason to depart from my provisional decision.

### **Putting things right**

In order to put things right, AWP should:

- Settle Mr and Mrs S' claim in relation to their travel costs from their destination to the airport and from the UK airport to home.
- Pay interest on the above amounts at the simple rate of 8% per year from the date they made their claim to the date it makes payment.
- Pay interest on the partial settlement of £1,707.28 at the simple rate of 8% per year from the date Mr and Mrs S made their claim to the date AWP paid the partial settlement.
- Pay compensation of £100 in relation to their distress and inconvenience.

### **My final decision**

My final decision is that I uphold this 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 Mrs S and Mr S to accept or reject my decision before 6 January 2023.

Louise Povey  
**Ombudsman**