

The complaint

Mrs E complains that AWP P&C SA imposed a requirement for a PCR test result which they then haven't reimbursed her for and that they have provided poor customer service.

What happened

In October 2021 Mrs E booked tickets for an event on 10 June 2022 and bought missed event insurance from AWP as part of her purchase.

Unfortunately, on 6 June Mrs E's husband became unwell with COVID-19. Mrs E notified AWP straight away and received an automatic e mail reply advising that she would need a positive PCR test displaying her name and date of birth which needed to be entered into the NHS app. She would need to send a screen shot of the app.

Mrs E e-mailed asked for clarification as free government PCR testing was no longer available, but she didn't receive a response and so she purchased a private PCR test for £67 to comply with the conditions.

Mrs E sent further chase e mails to AWP but heard nothing back.

On 1 July 2022 AWP wrote to Mrs E advising that the claim had been opened and sending her a claim form. She returned it on 3 July 2022, including a request for reimbursement of the cost of the PCR test.

Mrs E's claim was approved and paid for the value of the tickets, but not for the cost of the PCR test, so she complained.

In their final response AWP said that the claim had been paid but they didn't address the issue of the PCR test fee or the communication and so Mrs E brought her complaint to us.

One of our investigators looked into Mrs E's complaint. She thought that AWP hadn't acted fairly and in line with the terms of the policy in asking for the PCR test, and so she recommended AWP refund the £67 PCR test fee and pay 8% interest, and pay £100 for inconvenience. Mrs E accepted this, but AWP didn't respond, and so the case has come to me to review.

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.

I am upholding this complaint, and I will explain why below.

The policy provides cover for missed events, and there is no dispute over Mrs E's entitlement to make a claim due to COVID -19.

There are no specific terms in the policy about what evidence is required to support a COVID-19 related claim, but there is a general term which requires that:

"You contact us as soon as possible with full details of anything which may result in a claim and give us all the information and documents we ask for throughout the claims process. Please see the 'Making a claim' section for more information and examples of the documents we will need."

Under the "Making a claim" section of the policy it says

"For claims relating to illness or injury a medical certificate will need to be completed by the treating doctor. A certified copy of the death certificate is required in the event of death."

So, Mrs E hadn't been advised of the need to provide a PCR test until she made her claim, and received the following automated e mail reply:

"If you are self-isolating or displaying Coronavirus symptoms and you cannot attend, or do not feel comfortable to attend your booked events any longer, please note that your insurance may not be able to cover your losses unless a positive PCR test or a lab based result can be provided. This information must display your full name, your date of birth and the date of the COVID test. This must be entered into the NHS app and a screenshot of this will need to be provided."

"We will not be able to accept photos of positive lateral flow tests as proof of a COVID19 positive result. We do require positive PCR or lab certified test results only."

As free government testing linked to the NHS app was no longer available, and government guidance had changed, Mrs E tried to obtain clarification from AWP about what to do but she didn't receive a response, and so in order to comply with the additional requirements outlined in the e mail above, she purchased a private PCR test at a cost of £67.

Although the policy terms don't allow for reimbursement of any fees that a policyholder incurs in relation to evidencing a claim, I don't think that AWP have acted fairly in requesting that Mrs E provides evidence that was not outlined in the original policy document, and which was no longer available for free. Government guidance at the time no longer required the general public to undertake a PCR test if they had a positive lateral flow test, and so the additional requirements were imposing a cost on Mrs E which significantly reduced the value of her claim, and which I don't think is fair and reasonable without warning prior to purchase. I consider that it's unlikely Mrs E would have taken out the insurance if she'd known this would be a requirement. In view of that I am satisfied that it would be fair for AWP to reimburse the cost of the test fee.

I think that Mrs E did her best to try and clarify what the requirements were, and whether in view of the changed Government guidance, the PCR test was still necessary. However, she didn't receive any clarification, and so she was left having to incur the test fee or risk not being able to make a valid claim. I can see that this would have been stressful and agree with the investigator that AWP should pay some additional compensation for their poor customer service in not responding and delaying in acknowledging the claim.

Putting things right

I think that AWP should:

- Reimburse Mrs E £67 for the PCR test fee that she incurred
- Pay 8% interest on that sum from the date the test fee was paid until the date of settlement
- Pay Mrs E £100 for the trouble and upset caused by having to chase AWP for a response and the delay in dealing with her claim

My final decision

My decision is that I uphold this complaint and direct AWP P&C SA to put things right as above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E to accept or reject my decision before 16 March 2023.

Joanne Ward
Ombudsman