

## The complaint

Mr and Mrs S complain that AWP P&C SA didn't provide them with enough information about the evidence they'd need to make a successful claim on a travel insurance policy.

As Mr S brought the complaint, for ease, I've referred mainly to him.

## What happened

In January 2022, Mr and Mrs S upgraded their bank account to a packaged account, which included travel insurance as a benefit.

In March 2022, Mr and Mrs S travelled abroad to a country I'll call F. They'd planned to travel on to another country. Unfortunately, Mr S tested positive for Covid-19 and he therefore contacted AWP to look into making a claim. But AWP couldn't trace any record of Mr S' policy. So he got in touch with his bank. Mr S says the bank told him that the policy didn't provide cover for Covid-19. On that basis, Mr S said he decided to mitigate his costs as much as he could. He extended his stay in F and returned home directly from there, without travelling on. He returned to the UK on 24 March 2022.

On the following day, AWP got back in touch with Mr S, as it had been able to validate his policy. It provided Mr S with a claim form and asked him to provide evidence of a positive PCR test, amongst other evidence.

But Mr S hadn't had a PCR test. He said he'd taken lateral flow tests and once he'd understood the claim wouldn't be covered, he hadn't undergone a PCR test. AWP didn't think Mr S had shown he had a valid claim on the policy and it turned it down.

Mr S was unhappy with AWP's position. He felt that as AWP hadn't been able to locate his policy while he was abroad, he'd been left in a position where he'd been unable to obtain the PCR test he'd needed to make a successful claim. AWP offered to pay Mr S £25 compensation for delays in assessing his claim, but it maintained its decline of the claim.

Remaining unhappy with AWP's position, Mr S asked us to look into his complaint.

Our investigator didn't think it had been unfair for AWP to conclude that Mr S' claim wasn't covered. She didn't think AWP was responsible for any misinformation he may have been given by his bank. And she felt the policy terms made it clear that Mr S would need to provide medical evidence in support of his claim. In this case, she didn't think Mr S had provided enough evidence to show he had a valid claim on the policy.

The investigator didn't think AWP had handled Mr S' claim as well as it should've done though. And so she recommended that AWP should pay Mr S an additional £50 compensation, on top of the £25 it had already offered.

AWP accepted the investigator's recommendations.

Mr S didn't accept the investigator's view. He felt that as AWP had told him it couldn't locate a policy; he'd felt it wasn't necessary for him to obtain a test. And this was the reason he

hadn't been able to obtain the medical evidence he'd needed to make a successful claim.

The complaint's 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.

Having done so, whilst I'm very sorry to disappoint Mr and Mrs S, I think a total compensation award of £75 is a fair and reasonable outcome to this complaint and I'll explain why.

First, it's important I make it clear that this decision will only consider AWP's actions and whether anything AWP did caused Mr S to lose out. I understand Mr S has made a separate complaint about his bank and the information he says it gave him to our service, which has been assessed separately.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the terms of Mr S' policy and the circumstances, to decide whether AWP treated Mr S fairly.

*Did AWP fail to provide Mr S with enough information to allow him to make a valid claim?*

It's clear how strongly Mr S feels that AWP's inability to locate his policy when he first called on 21 March 2022 prejudiced his position. I understand he considers that had AWP found his policy when he initially called, he'd have been in a position to obtain a confirmatory PCR test while he was still abroad. Had he done so, it's possible AWP would've concluded that Mr S had made a valid claim.

I asked AWP for more information about what had taken place when Mr S' policy was upgraded. His insurance records do indicate that at the point Mr S initially called it, Mr S' details hadn't been transferred to AWP, which was why it couldn't find a policy. Its records show that AWP got in touch with the bank directly and promptly to validate Mr S' details and to ensure they were uploaded on to AWP's systems. I think this was a fair response from AWP. The upload took place on 25 March 2022 – the day after Mr S had returned to the UK. AWP's claims handler called Mr S on 25 March 2022 to let him know that the policy had been validated and to set-up a claim.

On the evidence before me, I don't think AWP acted unreasonably or made an error when it told Mr S it couldn't locate a policy for him. It appears that it simply didn't have Mr S' details. So I don't think there was much more that AWP could've done at that point. When it did become aware of Mr S' policy, it got in touch with him very promptly to set-up the claim. Unfortunately, by that time, Mr S had already returned to the UK and therefore, wasn't in a position to obtain a PCR test.

I'm mindful too that Mr S indicated that after AWP had told him it couldn't find a policy, he contacted his bank, which he says told him he didn't have Covid-19 cover. It appears to me that it was a combination of these factors which meant he hadn't taken a PCR test while he was away. I can't fairly hold AWP liable for any information the bank may have given Mr S about his cover. And as I don't think AWP made an error when it told Mr S it couldn't find a policy at the time of his first call, I don't think it could reasonably have explained to him what information AWP might consider necessary for a medical claim to be met. I don't think it would be fair for me to hold it responsible for his decision not to obtain a confirmatory PCR test.

Mr S told us that he'd received a copy of the policy terms and conditions. This clearly sets out the requirement to provide medical evidence in the event of a claim. So it was open to Mr S to check the policy wording once he'd tested positive on the lateral flow test he carried out and to obtain a PCR test – or to register the test he'd carried out with the NHS. He could also have taken a photograph of a positive lateral flow test, as potential evidence that he'd contracted the virus. I don't think it would be fair or reasonable for me to hold AWP responsible for Mr S' decision not to do so, although I understand why he didn't think he needed to.

Based on what I've seen, I don't think AWP made any errors which caused Mr S to lose out or led to his being unable to make a successful claim. So I'm not directing it to pay compensation to the value of Mr S' claim costs.

#### *Did AWP handle Mr S' claim fairly?*

Mr S hasn't complained about AWP's application of the policy terms to turn down the claim, and he hasn't suggested that he considers its contractual interpretation was unfair. He appears to accept that the claim wasn't covered by the policy terms. So I haven't considered that point in detail here. I would add though that it was Mr S' responsibility to show that he had a valid claim on the policy. And in the absence of any photographic or documentary evidence, including of the lateral flow test he took, to demonstrate his trip was impacted due to Covid-19, I don't think it was unreasonable for AWP to conclude that Mr S hasn't provided enough information to show that his claim should be covered.

AWP accepts it didn't handle Mr S' claim as well as it should and that there were delays in responding to Mr S and in assessing his claim. I don't doubt that this caused Mr S unnecessary trouble and frustration, on top of his understandable upset at the claims decision which was made. So I think it's right that AWP should pay Mr S compensation to reflect the impact its claims handling errors had on him. AWP has now agreed to pay Mr S a total of £75 compensation (inclusive of the £25 it had already offered). And in my view, this is a fair and reasonable sum to recognise the trouble and frustration I think Mr S was likely caused. So I've decided that AWP must pay Mr S a total of £75 compensation.

#### **My final decision**

For the reasons I've given above, my final decision is that AWP didn't handle Mr and Mrs S' claim fairly.

I direct AWP P&C SA to pay Mr and Mrs S total compensation of £75 (less any compensatory amount it's already paid if applicable).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S and Mrs S to accept or reject my decision before 23 May 2023.

Lisa Barham  
**Ombudsman**