

## **The complaint**

Mr and Mrs N are unhappy that AWP P&C SA (AWP) has caused delays in assessing their travel insurance claim.

Any references to AWP include all its representatives and agents.

## **What happened**

- Mr and Mrs N took out a single trip travel insurance and the policy was underwritten by AWP P&C SA. Mr and Mrs N's son tested positive for Covid-19 when they arrived at their destination and had to be quarantined so they submitted a claim with AWP in April 2022.
- AWP issued a final response in July 2022. It apologised for the delays, upheld the complaint and said it would prioritise the claim. I understand the claim has been partially settled in November 2022 for the medical costs incurred.
- Mr and Mrs N brought their complaint to this service.
- Our investigator looked into it and upheld it. She looked at the time the claim was submitted in April 2022 until July 2022 when the final response was issued. She recommended that £75 compensation was paid by AWP for the distress and inconvenience caused to Mr and Mrs N and for AWP to assess the remaining part of the claim in line with Mr and Mrs N's policy terms and conditions. AWP did not respond.
- The complaint was therefore referred to me to make a decision.

I issued a provisional decision on 6 March 2023 and said the following:

*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, I intend to uphold the complaint for the following reasons:*

- *The insurance industry regulator, the Financial Conduct Authority ('FCA'), has set out rules and guidance for insurers in the 'Insurance: Conduct of Business Sourcebook' ('ICOBS'). ICOBS 8.1.1 says that insurers should act honestly, fairly and professionally in accordance with the best interests of their customers, and that they should handle claims promptly and fairly and shouldn't unreasonably reject a claim.*
- *I note the claim was first submitted in April 2022. I understand that AWP issued a final response in July 2022 and has since partially settled the claim. But I have to consider that AWP didn't do what it said it would do in July 2022 and that is to assess the full claim as a priority. I can see the complaint was upheld because of the delays caused also. So, bearing in mind the initial complaint to AWP was about the claim not being assessed within expected timescales, I don't think AWP has dealt with the*

*claim in line with what's expected or in line with the industry guidance.*

- *While I agree with the investigator that Mr and Mrs N have suffered distress and inconvenience, I'm minded to think a total compensation award of £200 should be paid to them. I think is fair and reasonable in the circumstances of the complaint.*
- *I also note AWP said it would treat the claim as a priority. I'm not satisfied this has happened. I intend to direct AWP to treat this claim as a priority.*
- *I confirm the full claim itself hasn't been considered here. If Mr and Mrs N don't agree with the outcome of their claim once it's been assessed, this would need to be raised as a separate complaint directly to AWP in the first place.*

*For these reasons, my intention is to uphold this complaint.*

Mr and Mrs N responded and, again, expressed their concern with regards to the delays caused by AWP.

AWP did not respond to my provisional 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 so, as I've received no further points or arguments from either party, I see no reason to depart from the findings in my provisional decision.

Overall, I uphold this complaint. AWP hasn't dealt with the claim in line with what's expected or in line with the industry guidance. Delays have been caused which could have been avoided and the claim also hasn't been assessed fully. I'm satisfied therefore that £200 should be paid to Mr and Mrs N for the distress and inconvenience caused to them by AWP. I think this is fair and reasonable.

### **Putting things right**

Within 28 days from the date on which we tell it that Mr and Mrs N accept our final decision, I direct AWP to put things right as follows:

- Assess Mr and Mrs N's full claim as a priority in line with their policy terms and conditions.
- Pay Mr and Mrs N £200 compensation for the distress and inconvenience caused for the delays in its claim handling.

### **My final decision**

For the reasons given above, I uphold this complaint about AWP P&C SA and direct it to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N and Mrs N to accept or reject my decision before 18 April 2023.

Nimisha Radia

**Ombudsman**