

The complaint

Mrs C complains about how AWP P&C SA dealt with a claim against her 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, in January 2022, Mrs C bought a single trip travel insurance policy underwritten by AWP. The policy was to cover a trip with intended departure and return dates of 5 September 2022 and 21 September 2022 respectively.

I understand that in the early hours of 7 September 2022, whilst in the hotel room at the first destination, Mrs C's auntie and travelling companion - who I'll refer to as Miss W - was injured. Miss W sought medical treatment with the assistance of Mrs C. The fitness to fly certificate indicates that Miss W suffered a suspected fracture of her pubic bone and that she could fly with assistance and a wheelchair. On 12 September 2022, Mrs C and Miss W were repatriated to the UK.

On 15 September 2022, Mrs C made a claim against her travel insurance policy for curtailment of her trip from 7 September 2022. In December 2022, AWP settled Mrs C's claim for curtailment from the date of repatriation – 12 September 2022. Mrs C didn't think that was fair.

Mrs C says that at the hospital on 7 September 2022, the doctor told Miss W that she couldn't weight-bear for three weeks. Miss W required a wheelchair and walking frame and Mrs C had to assist her in getting to the bathroom and to the hotel restaurant for meals. Mrs C says that she didn't leave the hotel and became Miss W's carer. She thinks that AWP should settle the balance of her claim for curtailment. Mrs C also complains that AWP delayed in settling her claim and that it was difficult to make contact with AWP during the claims process.

One of our investigators looked at what had happened. She said that AWP hadn't responded to requests for information from this service, so she considered the complaint on the basis of the available information.

The investigator didn't think that AWP had acted fairly. That was because she thought that Mrs C's trip was effectively curtailed from the date Miss W sought treatment. The investigator recommended that AWP reconsider Mrs C's claim for curtailment, in line with the remaining policy terms, from the date Miss W sought treatment. The investigator thought that AWP's previous offer of compensation of £100 in relation to service issues was reasonable.

Mrs C accepted the investigator's recommendation, but AWP didn't respond. As there was no agreement between the parties, the complaint was passed to me to decide.

AWP hasn't responded to this service's request for information, so I've proceeded on the basis of the available information.

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.

the relevant terms and conditions

The starting point is the terms and conditions of the policy, the relevant parts of which say as follows:

'Section D – Cancellation or curtailment

WHAT YOU ARE COVERED FOR

Up to £3,000 [...]

*Should **you** necessarily have to cancel the projected trip before commencement or curtail it before completion as a result of:*

*1. The death, accidental bodily injury or illness [...] of **you** or a **travelling companion**.*

[...]

*'The **insurer** will pay either:*

[...]

*2. the curtailment from the date **you** returned to **your home country** or the dates **you** were hospitalised as an in-patient or the date **your quarantine** period started;*

*of **your** irrecoverable portion of costs; for travel, air tickets, accommodation, pre-booked excursions, tours, courses and/or events up to the sum insured for any of the above reasons, which have not been used and **you** have paid or are contracted to pay. [...]*

Note

*The proportionate value of costs will be calculated either from the date of return to **your home country** or from the date **you** were hospitalised as an inpatient until the date **you** are discharged. The claim will only be based on the number of full days not used. [...]*

has the claim been declined unfairly?

The relevant rules and industry guidance say that AWP has a responsibility to handle claims promptly and fairly and it shouldn't reject a claim unreasonably. I'm upholding Mrs C's complaint because I don't think that AWP treated her fairly or reasonably. I say that because:

- Mrs C's policy covers curtailment of a trip. In the circumstances that arose here, AWP will pay up to £3,000 for certain unused, irrecoverable costs because of an inability to complete the trip due to injury of a travelling companion. The policy says that the value of the costs will be calculated from the date of return to the home country and based on the number of full days not used.
- Mrs C returned home on 12 September 2022. In accordance with the terms of the policy, AWP may calculate the proportionate value of costs from that date. But I've gone on to consider whether that leads to a fair and reasonable outcome in this case. In doing so, it's important to note that the policy doesn't cover loss of enjoyment. I'm looking at whether Mrs C's trip was effectively curtailed by what happened here.
- I've looked at the trip itinerary. The dominant purpose of the trip was adventure, and the pace of the trip was described as '*Full on*'. There were several flights and other modes of transport. Mrs C says that she didn't do any of that as, at their first destination hotel, she was confined to the hotel in order to care for Miss W. Based on what I've seen, I think that Mrs C's trip was effectively curtailed from 7 September 2022.

- It follows that I don't think that it's fair or reasonable for AWP to decline part of Mrs C's claim on the basis that her trip was curtailed on the date she returned to the UK - 12 September 2022. In the particular circumstances here, I think it's fair and reasonable for AWP to treat Mrs C's trip as effectively curtailed on 7 September 2022. So, I direct AWP to deal with the balance of Mrs C's claim under the curtailment provisions of the policy, subject to the remaining policy terms.
- Mrs C has also complained about AWP's delay in settling her claim and the difficulties she had contacting the claims department. In its final response to Mrs C, AWP apologised for that and offered compensation of £100. I think that was fair and reasonable in relation to this element of Mrs C's complaint.

Putting things right

In order to put things right, AWP should reassess Mrs C's claim for curtailment on the basis that her trip was curtailed on 7 September 2022, subject to the remaining terms and conditions of the policy and taking into account the payment it has already made. It should also pay Mrs C the compensation of £100 it has already offered to pay.

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 C to accept or reject my decision before 25 July 2023.

Louise Povey
Ombudsman