

The complaint

Mrs M and Mr M have complained that AWP P&C SA have not responded to a claim they made under their travel insurance policy for medical expenses.

What happened

Mrs M and Mr M submitted a claim under their travel insurance policy in August 2022. AWP sent a final response in December 2022. It acknowledged that there had been unnecessary delay in handling the claim and apologised.

Frustrated with the lack of progress Mrs M and Mr M referred their complaint here. Our investigator recommended that the claim be upheld. He recommended that AWP review the claim in line with the policy terms and that AWP pay £200 to Mrs M and Mrs M for the delay and lack of progress.

Mrs M and Mr M accepted this, but AWP didn't respond. Further enquiries were made as to the progress of the claim and whether it had been assessed. But again, no response was received. As no agreement has been reached the matter has been passed to me to determine.

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 I agree with the conclusions reached by the investigator for these reasons:

- The Financial Conduct Authority (FCA) Handbook sets out a number of Principles for Businesses, which AWP must follow, including:

Principle 6 – A firm must pay due regard to the interests of its customers and treat them fairly.

By failing to assess a claim made under their policy AWP is not treating Mrs M and Mr M fairly.

- Additionally The 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.

AWP has not acted in accordance with this rule – from the information available to me it seems the claim hasn't been assessed at all, let alone promptly.

- I recognise that this outcome is not ideal for Mrs M and Mr M – they want their claim to be assessed. I require AWP to assess the claim expediently, if it hasn't done so

already, and let Mrs M and Mr M know the outcome.

- I agree that compensation is due for the distress and inconvenience caused to Mrs M and Mr M whilst this matter has been ongoing but with no progression. Mrs M has said that the matter has impacted her mental health. I have no reason to doubt that this is true. I find that compensation in the sum of £200 is merited in the circumstances.

My final decision

My final decision is that this complaint should be upheld. I require AWP P&C SA to:

- Assess Mrs M and Mr M's claim
- Pay Mrs M and Mr M £200 in compensation for the delays to date

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr M to accept or reject my decision before 15 June 2023.

Lindsey Woloski
Ombudsman