

The complaint

Mr and Mrs O complain that AWP P&C SA hasn't assessed their travel insurance claim they made in 2022. My references to AWP include its agents.

What happened

Mr and Mrs O had a travel insurance policy. The policy was insured by AWP.

Mr and Mrs O cancelled their holiday as Mrs O required an emergency caesarean. They made a claim to AWP on 8 November 2022 with supporting documents including a medical report which cost Mr and Mrs O £50 to obtain.

Mr and Mrs O didn't hear back from AWP about their claim assessment. They complained to AWP about the delay. AWP responded to them on 30 March 2023 apologising for the delay and saying the claim was being reviewed 'as a matter of urgency'. It offered Mr and Mrs O £70 compensation for their distress and inconvenience caused by the delays, which they rejected as AWP had still not assessed the claim.

Mr and Mrs O complained to us. They detailed Mr O's attempts to contact AWP by email and phone calls, which included when he waited on hold for over one and a half hours and was then disconnected. They want AWP to pay their claim.

Our investigator recommended AWP should review the claim without further delay and pay Mr and Mrs O £150 in compensation, in addition to the £70 compensation it had already offered, for their distress and inconvenience.

Mr and Mrs O accepted our investigator's recommendation. AWP didn't respond so the complaint has been referred to me for a 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.

The relevant regulator's rules say that insurers must handle claims promptly and fairly.

Mr and Mrs O made their claim at the start of November 2022. At the time of me making my decision, nine months later, they still haven't heard from AWP with the outcome of its claim assessment which is a wholly unreasonable delay. And I think AWP unfairly raised Mr and Mrs O's expectations by saying in March 2023 that it was reviewing the claim urgently and not contacting them since then.

I'm satisfied that AWP hasn't handled Mr and Mrs O's claim promptly or fairly and it should pay Mr and Mrs O compensation for their distress and inconvenience its unfair service has caused. I think the amount our investigator recommended is reasonable to acknowledge AWP's delays to date and it unfairly raising Mr and Mrs O's expectation.

Also, AWP need to assess the claim in line with the policy terms and conditions and tell Mr and Mrs O the outcome of its claim assessment. If Mr and Mrs O disagree about the claim outcome they can complain to AWP and ultimately make a separate complaint to us, as that's a separate matter.

AWP must put things right as I've detailed below.

Putting things right

AWP must pay Mr and Mrs O £150 compensation in addition to the £70 compensation it had already offered, so £220 compensation in total, for their distress and inconvenience its unfair service has caused.

Also, AWP must now assess the claim and contact Mr and Mrs O with the outcome of its claim assessment without further delay.

My final decision

I uphold the complaint.

I require AWP P&C SA to:

- pay Mr and Mrs O £150 compensation in addition to the £70 compensation it had already offered, so £220 compensation in total, for their distress and inconvenience due to its unfair service, and
- assess the claim and contact Mr and Mrs O with the outcome of its claim assessment without further delay.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O and Mrs O to accept or reject my decision before 7 September 2023.

Nicola Sisk
Ombudsman