

The complaint

Mr and Mrs W, along with Mr W and Miss W are unhappy that AWP P&C SA declined a claim they made under their travel insurance policy. In addition, they are unhappy with the level of service provided by AWP.

AWP appointed representatives to handle this claim on its behalf and accepts responsibility for the actions of its representative. When referring to AWP in my decision, I'm also referring to its representatives.

In this decision I've referred to Mr and Mrs W. But any references to Mr and Mrs W also refer to Mr and Miss W.

What happened

Mr and Mrs W purchased a single trip travel insurance policy, which provided cover for various pre-departure and post-departure risks. The policy was issued on 24 April 2022 and was to cover a trip being taken from 3 July 2022 to the 13 July 2022.

Mr and Mrs W have explained that on the weekend prior to them being due to go on holiday one of their party, Miss W, tested positive for Covid 19. So, they were no longer able to go on their family holiday.

As a result, Mr and Mrs W said they contacted their tour operator to cancel the trip. And that they contacted the airport, and relevant airlines to let them know they'd no longer be flying. In addition, Mr and Mrs W said they contacted AWP to seek assistance – but AWP were closed over the weekend. And when they emailed AWP asking for contact this wasn't forthcoming.

Mr and Mrs W then made a claim on their travel insurance policy for the costs they lost due to not being able to take their holiday. AWP considered the claim and declined it. It said that whilst the policy did cover cancellation of a trip due to illness, Mr and Mrs W hadn't shown that Miss W was ill before they were due to depart on the trip. They said the only evidence of Miss W testing positive for Covid-19 was dated 5 July 2022, which was after the trip was due to start.

Mr and Mrs W didn't consider this to be fair. They said Miss W had tested positive for Covid-19 before 3 July 2022, and that it wasn't until a few days later the NHS track and trace system send them confirmation of a positive result. Mr and Mrs W said they also had proof of contacting their tour operator explaining the situation. And that they'd contacted the airports too.

AWP said to Mr and Mrs W that without any further evidence, confirming the positive test result before 3 July 2022 it wouldn't be able to settle the claim. It said it would reconsider the outcome of the claim if Mr and Mrs W were able to provide additional evidence of a positive test before the date of departure, or evidence of phoning the airline to discuss not being able to fly it would reconsider the matter.

In addition to the above, AWP acknowledged Mr and Mrs W experienced delays in the progress of their claim due to a high influx of claims, and it apologised for this.

Mr and Mrs W remained unhappy. So, they referred their complaint to this service for an independent review.

Our investigator considered this complaint and thought it should be upheld in part. They thought AWP should pay Mr and Mrs W £100 compensation for the distress and inconvenience they experienced due to delays in the progress of their claim. But the investigator thought AWP had acted fairly, and in line with the policy terms, when declining to settle Mr and Mrs W's claim.

AWP accepted our investigator's outcome. But Mr and Mrs W didn't agree. They considered they'd evidenced the need to cancel the trip due to Miss W contracting Covid-19. And they highlighted their concern that they had tried to ask AWP for guidance before they were due to depart on their trip, but none was forthcoming. Mr and Mrs W also considered the £100 compensation to be insufficient.

As Mr and Mrs W didn't agree, this complaint has been referred 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, I've decided to uphold this complaint in part, and require AWP to pay £100 compensation in total. I don't require it to do anything more.

I know this will come as a disappointment to Mr and Mrs W. I can see they feel strongly about the matter. But I've explained the reasoning for my decision below.

When considering complaints such as this, I need to consider the relevant law, rules and industry guidelines. The relevant rules, set up by the Financial Conduct Authority, say that an insurer must deal with a claim promptly and fairly. So, I've thought about whether AWP acted in line with these requirements when it declined to settle Mr and Mrs W's claim.

I've also reviewed Mr and Mrs W's policy documents, to see what cover the policy provided. On doing so, I can see the policy does provide cover for cancellation of a trip before leaving home, in certain circumstances. These circumstances include the serious illness of someone going on the trip, the need to attend jury service, or redundancy.

It is the duty of the policyholder to prove they have a valid claim that falls under one of the listed reasons. If the policyholder doesn't prove a valid claim for one of these listed reasons, then the claim isn't covered, and the policy doesn't respond.

AWP appears to have accepted that Covid-19 would be considered a serious illness, and therefore that cancellation of a trip due to contracting Covid-19 would be covered by the policy. So, I haven't considered this further.

But it doesn't accept that Mr and Mrs W have proven the trip was cancelled because of a serious illness – Covid-19.

So, I've needed to decide whether AWP has acted fairly in saying it isn't settling the claim at this stage, because the above hasn't been proven.

Having done so, I'm satisfied AWP has acted fairly in this respect. Mr and Mrs W hasn't provided AWP with firm evidence showing that Miss W contracted Covid-19 before the trip, and therefore that was the reason it wasn't able to go ahead as planned.

The policy requires evidence in the way of a medical certificate, for cancellation claims where illness is involved. Mr and Mrs W haven't provided that – and I can understand why that might not be possible in respect of Covid-19, in some instances. But Mr and Mrs W haven't provided any other firm evidence that shows the illness before the trip started, and therefore that it was the reason for cancellation. I understand Mr and Mrs W have said that Miss W tested positive for Covid-19 in the days before the trip was due to begin. But the only positive test for Covid-19, confirmed by the NHS, has a test date of 5 July 2022. After the trip was due to begin.

I haven't seen any other firm evidence which shows a serious illness, such as a positive test result, prior to this. And I'm aware that AWP has asked Mr and Mrs W for additional information to help support the claim – in the way of evidence of discussions with the airline in relation to Covid-19 prior to departure. I consider it fair that AWP has said it will reconsider the matter if Mr and Mrs W provide this information, given it may support the fact a member of the travelling party was sick with Coronavirus.

I acknowledge that Mr and Mrs W have provided other documents for AWP to consider – such as evidence they cancelled the flight and accommodation with the tour operator. But I think AWP has acted fairly in noting this is evidence that trip was cancelled – not that a serious illness was the reason the trip couldn't go ahead. So, I don't think AWP has acted unfairly in declining the claim at this stage.

Mr and Mrs W have said they did try to contact AWP prior to their scheduled departure to gain an understanding of what evidence they needed to prove their claim – but were unsuccessful. Based on my experience, it would be unusual for the claims line to be closed over the weekend. But, even if it was closed, I don't think this means the claim should be paid as a result. I say this because whether or not they spoke to AWP, Mr and Mrs W should reasonably have been aware that they'd need contemporaneous evidence, so from prior to their departure, to prove the reason for cancelling this trip – for example, evidence of a positive test taken prior to departure. And the policy documentation and claim form online does provide information on the need for a medical certificate.

I do think however think Mr and Mrs W could have been provided with better customer service by AWP. Mr and Mrs W contacted AWP by email on 4 July 2022, about their need to claim. And they didn't get any form of response until 12 July 2022, after they chased the matter.

In addition to the above. Mr and Mrs W raised their claim in July 2022 and didn't receive any form of response until October 2022. AWP has accepted there were delays. And I can see how this would have been frustrating and inconvenient for Mr and Mrs W – they were awaiting a response on a significant financial loss they had incurred.

I've thought about what a fair and reasonable resolution is to resolve the element of the complaint in relation to delays and customer service. And I agree with our investigator that £100 compensation in total is fair. I'm satisfied this fairly reflects the upset and inconvenience awaiting an answer would have caused to Mr and Mrs W during this time. AWP has agreed to pay this – and it should now do so.

I appreciate Mr and Mrs W don't consider £100 to be sufficient compensation. But I'm satisfied it is. I have to bear in mind that the claim was ultimately fairly declined – so the

compensation isn't in any way a payment to meet the claim, which would always have been declined at this stage, but is to acknowledge the trouble caused by delays experienced.

My final decision

Given the above, my final decision is that I uphold this complaint in part and require AWP P&C SA to pay £100 compensation in total. I don't require it to do anything more than this.

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

Rachel Woods
Ombudsman