

The complaint

Mrs F and Ms L are unhappy with the service they've received from AWP P&C SA when they claimed on their travel insurance policy.

What happened

Mrs F and Ms L went on holiday in Europe. On arrival at their destination Mrs F fell and broke her hip. She required treatment, including surgery. Mrs F says they received limited help from AWP and made their own arrangements to get home.

A claim was made on the policy but wasn't settled for some time. When it was settled Mrs F received far less than she'd claimed for. Mrs F complained to AWP. In response they apologised for the delays but said that the claim had now been settled. Unhappy, Mrs F complained to the Financial Ombudsman Service.

Our investigator received very limited information from AWP. He upheld the complaint because AWP hadn't provided a breakdown of the claim payment and hadn't settled Mrs F's outstanding costs, which were covered by the policy. He also thought they should pay Mrs F £400 compensation for the distress and inconvenience caused by poor claims handling.

Mrs F accepted the investigator's findings. AWP said they'd contacted their emergency assistance team but didn't provide any further information. So, I need to make 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 rules and industry guidelines say that AWP has a responsibility to handle claims promptly and fairly.

I'm upholding Mrs F and Ms L's complaint because:

- I don't think AWP provided Mrs F and Ms L with adequate emergency assistance in the circumstances of this case. AWP hasn't provided evidence to support that any meaningful action was taken by the assistance team.
- I'm satisfied the lack of assistance caused distress and inconvenience as Mrs F and Ms L had to make their own arrangements to get home, in an already difficult situation. Given the nature of Mrs F's injury this was very disappointing.
- AWP hasn't explained why it took months to settle the claim. So, based on the available evidence, I don't think this delay was reasonable in the circumstances of this case.

- When the claim was settled but no breakdown of the costs was given, even when Mrs F queried it. This also wasn't addressed in the final response letter. I think this was poor service as it remains unclear why AWP has only paid for some of the expenses Mrs F claimed for.
- I think Mrs F has been caused distress and inconvenience because of poor service, delays, and poor communication. I think this has had a significant impact on her at a time when she was recovering from a serious injury.

Putting things right

Within 28 days of receiving confirmation that Mrs F and Ms L have accepted my final decision AWP needs to put things right by:

- Giving Mrs F a breakdown of the settlement figure it provided in September 2022, including what claim expenses it's paid and any deductions.
- Settling Mrs F's outstanding costs including her unused accommodation and additional travel expenses in line with the remaining policy terms. AWP should also pay 8% simple interest per annum on this amount from the date the claim form was submitted until the date of settlement.
- Paying Mrs F £400 compensation to reflect the distress and inconvenience caused by poor service and delays.

If AWP considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs F and Ms L how much it's taken off. It should also give them a tax deduction certificate if they ask for one so they can reclaim the tax from HM Revenue & Customs if appropriate.

My final decision

I'm upholding Mrs F and Ms L's complaint and direct AWP P&C SA to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F and Ms L to accept or reject my decision before 12 September 2023.

Anna Wilshaw
Ombudsman