

The complaint

Mr C complains about how AWP P&C SA handled his claim against his 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, Mr C has travel insurance underwritten by AWP as a benefit of a bank account. He was on a group trip that had a departure date of 24 February 2023 and an intended return date of 5 March 2023. Mr C had connecting flights both ways.

On Mr C's return journey, his first flight was delayed for over seven hours due to adverse weather conditions. That meant Mr C arrived too late to take his planned connecting flight to return to the UK. Mr C asked his trip provider to arrange a new return flight, which it did. Mr C reimbursed the trip provider for the cost of the new return flight. The new return flight departed on 5 March 2023. I understand that Mr C arrived back in the UK on 6 March 2023.

Mr C made a claim against his policy in relation to the cost of the replacement return flight and his additional food costs. AWP declined Mr C's claim. It said that for a successful claim for travel delay, Mr C would have had to travel to his point of departure and have checked-in

Mr C says that AWP didn't consider his claim properly as it didn't consider what he was actually claiming for. He says that his claim is covered under the '**Missed Departure**' provisions in the policy. Mr C also says that he's been discriminated against as the others in his group had their claims settled, including people who had the same policy as him. Mr C wants AWP to consider his claim properly, treat all customers the same and not discriminate.

One of our investigators looked at what had happened. She said initially that AWP hadn't acted unfairly in declining the claim. Mr C didn't agree, and the investigator considered the matter again. She said that the '**Missed departure**' provisions of the policy cover what happened here. The investigator didn't think that AWP had discriminated against Mr C. She said that AWP should reconsider Mr C's claim for missed departure in line with the remaining terms of the policy and pay him compensation of £100 in relation to his distress and inconvenience.

AWP said that it was willing to consider the claim under '**Missed departure**' if Mr C could show that the additional costs were for continuation of his trip and on confirmation from the airline of the reason and duration of the delay.

Mr C confirmed that his claim was for a new flight for his return home and provided confirmation that the most significant reason for the delay was adverse weather. He maintained that AWP had discriminated against him.

As there was no agreement between the parties, the complaint was passed 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.

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 3 – Travel disruption

*This section of **your** policy explains the cover **we** provide for travel delay, missed departure or accommodation disturbance whilst on **your trip**. [...]*

Missed departure

*The benefit provided below is intended to provide compensation if **you** do not reach **your** point of departure until after the latest time permitted by the carrier for check-in or boarding. If **you** arrive too late (as shown on **your** ticket or itinerary) to board **your** pre-booked public transport at any of **your trip** departure points as a result of:*

*1. **Public transport** services failing to get **you** to **your** departure point due to [...] adverse weather conditions [...]*

***We** will pay **you** up to £5,000 for:*

***Your** reasonable and necessary extra travel (including up to £200 for taxis and hire cars) and accommodation expenses, which are of a similar standard to that of **your** pre-booked travel and accommodation, to allow **you** to continue to **your** trip destination or to return home.*

*'**Public transport**' includes 'Any publicly licensed aircraft [...] on which **you** are booked to travel'.*

Has AWP acted unfairly or unreasonably?

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 uphold Mr C's complaint and I'll explain why:

- I think that AWP acted unfairly and unreasonably in declining Mr C's claim in the first instance. It has now agreed to consider Mr C's claim under the '**Missed departure**' provisions I've set out above. I think it's right to do so.
- The policy doesn't define '*point of departure*', so I've proceeded on the basis of the ordinary, natural meaning of that phrase. I think the point of departure here was the airport for the departure of Mr C's final flight home. Mr C didn't get to that airport in time for his final flight because the first flight of his return journey failed to get him there due to adverse weather conditions. Mr C has provided confirmation from the airline that the most significant reason for the delay was adverse weather.
- Mr C asked his travel provider to book an alternative return flight, which it did. He has provided this service with evidence to show that he reimbursed his travel provider £355 for the additional flight home. AWP should consider Mr C's claim under the '**Missed departure**' provisions of the policy.

- There's no cover for additional food costs under '**Missed departure**', so I think that AWP acted fairly in declining that part of Mr C's claim.
- What happened here doesn't fall within the '**Travel delay**' provisions as there's no cover for travel delay unless Mr C had travelled to the point of departure and checked-in. That didn't happen here.
- I think there's been confusion in this case. AWP initially declined the claim under the '**Travel delay**' provisions of the policy whereas it should have considered the claim under '**Missed departure**'. But I haven't seen any evidence that it discriminated against Mr C.
- Mr C says that others on his trip had their claims against their insurers settled, including individuals who had the same cover as him as a benefit of their bank account. I haven't seen the detail of the claims by others in Mr C's party or the terms and conditions of the cover in those cases. Even where AWP is the underwriter of the policies held by others, there may be different terms and conditions. But in any event, I think that AWP made a mistake here in initially considering Mr C's claim under the wrong part of the policy. Based on what I've seen, that doesn't amount to discrimination, although it did, of course, result in a different initial outcome for Mr C.
- I think that the confusion and delay in dealing with Mr C's claim under the correct provisions caused him distress and inconvenience. Mr C made his claim in March 2023. If AWP required additional information from Mr C it should have asked for that from him within a reasonable time. I think that AWP should pay Mr C interest on any settlement and compensation of £100 in relation to his distress and inconvenience.

Putting things right

In order to put things right, AWP should:

- reconsider Mr C's claim under the '**Missed Departure**' provisions and in line with the remaining terms of the policy,
- pay interest on any settlement at the simple rate of 8% a year from the date Mr C made his claim to the date it makes the payment and
- pay compensation of £100 in relation to Mr C's distress and inconvenience.

My final decision

My final decision is that I uphold this complaint. I now require AWP P&C SA to take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 18 December 2023.

Louise Povey
Ombudsman