

The complaint

Mr W complains about AWP P&C SA's decision to turn down his travel insurance claim.

What happened

Mr W holds travel insurance cover through his bank account. The travel insurance is underwritten by AWP.

Mr W was due to travel abroad. Unfortunately, on the day of travel, Mr W found out the airline had cancelled the flight. Mr W was able to obtain refunds for the majority of his expenses, and made a claim for the remaining ones.

AWP turned down the claim. It considered the claim under the travel delay section of cover, but as Mr W hadn't checked-in at the airport, it said he couldn't make a claim. It concluded the event wasn't covered by the policy. Mr W queried AWP's response, as he said his flight had been cancelled and not delayed.

AWP issued a final response letter explaining it couldn't overturn the decision to turn down Mr W's claim. Unhappy with this, Mr W brought a complaint to this Service about AWP's claims decision, and its handling of his complaint.

I issued a provisional decision on 17 October 2023. Here's what I said:

'Travel insurance policies don't cover all situations. The policy terms set out what risks an insurer is prepared to cover.

I've read Mr W's policy terms, and these explain that cancellation cover is available in certain circumstances. The policy then lists those circumstances - some examples include death, injury or illness; attendance at a court of law; and redundancy.

As our investigator has explained, cancellation of a flight by an airline isn't covered for a cancellation claim under the policy terms.

The policy also provides travel disruption cover, which covers travel delay, missed departure or accommodation disturbance. I see that AWP looked into whether a travel delay claim could be paid. However, Mr W's flight wasn't delayed after he'd arrived and checked-in at the departure point - instead it was cancelled with no alternative flight arranged. So no benefit would be payable under this section of cover either.

I've checked the remaining policy terms, and there's no cover for Mr W's particular circumstances. Although I can understand Mr W's disappointment with this, I'm satisfied that AWP correctly declined the claim under the policy terms and conditions. Mr W may wish to contact the airline to see if he is due compensation from them.

Mr W has also complained about AWP's handling of his complaint. As our investigator has said, we can't consider complaints solely about complaint handling as this isn't a regulated activity. However, I think Mr W's concerns relate to a continuation of AWP's decision to turn

down his claim, so I find I can consider this.

I see that Mr W raised his complaint on 16 November 2022, but didn't receive an acknowledgement to this. AWP only contacted him in February 2023, when it sent him three separate emails on the same day, which I think would have been confusing.

I also note Mr W hadn't understood AWP's reasoning for turning down his claim (as it had referred to delay at departure rather than cancellation of the flight). He was unhappy that AWP's final response hadn't addressed this. I think AWP ought to have explained things clearly to Mr W.

I think AWP's handling of the matter caused Mr W unnecessary inconvenience, and I intend to require AWP to pay him £75 compensation to recognise this.'

I asked both parties to provide any further comments they wished to make before I made a final decision.

Mr W responded to confirm he accepted my provisional findings.

AWP didn't respond by the deadline we gave.

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.

As neither party has provided any new submissions, I see no reason to depart from the findings I made in my provisional decision. So I've reached the same conclusions, and for the same reasons.

My final decision

My final decision is that I partly uphold this complaint. I require AWP P&C SA to pay Mr W £75 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 28 November 2023.

Chantelle Hurn-Ryan
Ombudsman