

The complaint

Mrs O has complained that AWP P&C S.A. declined a claim she made on a travel insurance policy.

Mrs O is being represented by a family member. However, for ease, I will just be referring to Mrs O in this decision.

What happened

Mrs O was abroad in February 2024 when she suffered a fall on the day she was supposed to be returning to the UK. Due to attending hospital for checks, she missed her return flight. She therefore made a claim on the policy for additional travel expenses.

AWP declined the claim on the basis that the circumstances are not covered under the policy terms.

Our investigator thought that AWP had acted reasonably in declining the claim. Mrs O disagrees and so the complaint has been passed 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.

I've carefully considered the obligations placed on AWP by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for AWP to handle claims promptly and fairly, and to not unreasonably decline a claim.

Insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. The test then is whether the claim falls under one of the agreed areas of cover within the policy.

Looking at the policy terms, they state:

'GENERAL EXCLUSIONS

The following apply to the whole of the policy:

We will not pay for claims arising as a result of or from:

16. You not following any advice or recommendation made by the Foreign, Commonwealth and Development Office (FCDO), the World Health Organization, or any government or other official authority. This includes where:

** The FCDO have advised against all travel or all but essential travel;*

At the time that Mrs O travelled, the FCDO were advising against all but essential travel to her destination.

Mrs O's trip was to attend her grandson's engagement party. As I understand it, she didn't contact AWP in advance to check whether that would be deemed as being essential travel.

She had very good reasons for wanting to go. She is her grandson's last surviving grandparent. She lost her own son and husband in recent years, and this was the first big family celebration since those unhappy events.

Mrs O has said that the FCDO, whilst advising against all but essential travel, goes on to say that only the individual can decide what they consider to be an essential reason. Therefore, as she believed the reason for her trip to be essential, she was not going against FCDO advice and therefore she hasn't fallen foul of the policy terms.

Taking the policy wording above, I'm satisfied that the starting point is that there is no cover under the policy where the FCDO has advised against all travel or all but essential travel.

However, the policy then goes on to allow AWP an element of discretion to accept claims if it concludes that the travel was essential.

So, the policy terms go on to state:

'MAKING A CLAIM

If you have decided to travel despite the Foreign, Commonwealth and Development Office advising against all but essential travel, we will need evidence of why you believe your travel should be considered essential.

Examples of what we consider to be essential travel are if:

- A close relative is in intensive care in hospital or has unexpectedly been given a terminal prognosis with a short life expectancy;*
- A close relative has died and you need to attend the funeral;*
- Your property abroad has been seriously damaged and you need to arrange and/or oversee professional repairs;*
- You have an urgent work matter that cannot reasonably be cancelled, postponed or delayed;*
- You have a full-time but short-term placement at a recognised educational establishment where attendance must be in person.*

If you are unsure whether the purpose of your travel would be considered as essential or want to discuss any other aspect of the policy cover, please contact us by visiting the Allianz Assistance Hub.....'

It would be impossible to list every type of scenario that might be considered as essential. It is clear that the list is setting out a few typical examples only and not intended to be exhaustive. Therefore, I would expect AWP to give consideration to the particular circumstances of the claim.

It's been said that Mrs O wasn't given the opportunity to explain her reasons. However, I've listened to a recording of a phone call that AWP had on 1 March 2024 with one of Mrs O's daughters. I'm satisfied that her daughter fully conveyed why it was important to Mrs O that she been with her grandson on his engagement. I'm also satisfied that the adviser had a good understanding of the situation as he was very sympathetic to her position.

Following the call, the adviser referred the matter to the underwriters for guidance, who ultimately declined the claim.

Mrs O says she would have told AWP that attending the engagement was, for her, as essential as attending funeral. But, as I've mentioned, I think that AWP did understand the extreme importance she attached to attending the engagement. So, I'm not persuaded that setting that out in slightly different language would have made a difference to the underwriter's decision.

She's also said that her claim was the result of a fall, not the result of travelling against FCDO advice. I take her point. But she wouldn't be making a claim for return air fare if she hadn't travelled abroad in the first place.

I am very sympathetic to Mrs O's situation and understand the strength of her reasons for wanting to travel. However, my role isn't to decide whether the travel was essential or not. The matter at hand is whether it was fair and reasonable for AWP to conclude that the travel wasn't essential, to decline the claim.

AWP followed the correct process in passing the case to its underwriters to consider the claim on its individual merits. Based on the information it had available, overall, I think that AWP acted reasonably in decided that the travel was not essential. I'm not persuaded that it acted contrary to FCDO guidance in doing so.

So I'm sorry to disappoint Mrs O, but I won't be asking AWP to do anything more.

My final decision

For the reasons set out above, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 6 January 2025.

Carole Clark
Ombudsman