

The complaint

Mr R complains that AWP Assistance UK Ltd (“AWP Assistance”) mishandled his claim on a mobile phone insurance policy.

What happened

From 30 October 2021, Mr R took out a policy for the period of two years, expiring on 30 October 2023. The policy was branded with the name of a phone manufacturer (“the manufacturer”).

AWP Assistance administered the policy. An associated company (“the insurer” or “the underwriter”) was ultimately responsible for meeting any claim.

On 16 February 2024, Mr R asked about making a claim for damage to his phone screen which he said had happened on 10 September 2023, when he’d forgotten he had the policy. He received a reply to the effect that a claim could only be processed while the policy was still active (in his case up to 30 October 2023).

On about 18 February 2024, Mr R complained that his claim should be honoured.

Mr R asked us to investigate.

We asked AWP Assistance to send us its file, but it didn’t.

Mr R told us that he had carried on using the phone until another company repaired its screen at a cost to him of £280.00.

Our investigator recommended in late October 2024 that the complaint should be upheld in part. He didn’t think that the policy said that it must be active for a claim to be processed. He recommended that AWP Assistance should look to refer the claim for assessment to the underwriter.

Mr R disagreed with the investigator’s opinion in part. He says, in summary, that:

- AWP Assistance or the underwriter reviewed the claim and declined it.

AWP Assistance didn’t respond to the investigator’s opinion.

The investigator asked for an ombudsman to review the complaint.

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.

Mr R sent us an insurance policy information document (“IPID”). It included the following:

*“What is insured?
Accidental screen damage...*

*What is not insured?
Any claim for an event occurring outside the period of insurance...*

*What are my obligations?
To prevent the policy being cancelled or voided and/or claims being reduced or refused, you must: ...*

*In the event of a claim
• You must contact [the manufacturer] to make the claim immediately after an event arises, in accordance with the terms and conditions and provide [the manufacturer] with all supporting documents enabling them to process the claim”*

Mr R also sent us a copy of the policy terms including the following:

*“2. DEFINITIONS ...
We, Our, Us
Allianz Assistance, a trading name of AWP Assistance UK Ltd, who administer the Policy on behalf of the Insurer...*

*3. GENERAL EXCLUSIONS
The policy does not cover:
3.1 Any claim for an event occurring outside the Period of Insurance. ...
g) Cosmetic damage which does not affect the functionality of the Insured Product such as scratches, dents, discoloration and small cracks;...*

*6. HOW TO MAKE A CLAIM
Please note, [the manufacturer] will handle any claim exclusively on Our behalf...*

*7. MAKING AN ENQUIRY OR COMPLAINT
Please note, [the manufacturer] will handle any enquiry or complaint exclusively on Our behalf”*

From those terms, I find that the manufacturer was authorised to handle claims and complaints on behalf of AWP Assistance who administered the policy for the insurer.

So I consider that the email dated 19 February 2024 from the manufacturer to Mr R was sent on behalf of AWP Assistance. It included the following statement:

“Unfortunately, claims can only be processed while the policy is active. I want to emphasize that our intention is to provide timely assistance to our customers, and we expect claims to be reported in a timely manner during the active policy period.”

I consider that statement to be more in the nature of a refusal by AWP Assistance to process the claim, rather than a refusal by the insurer to meet the claim.

I disagree with the proposition that AWP Assistance could only process a claim during the policy period. For example, damage might occur in the last moments of the policy period, and it would be unfair if AWP Assistance would not start processing a claim the next morning.

So I don't consider that AWP Assistance gave a fair reason for not processing Mr R's claim.

Putting things right

I've thought about what it's fair and reasonable to direct AWP Assistance to do at this late stage.

I have to keep in mind the policy terms. They include a term obliging Mr R to make the claim immediately after an event arises.

I've thought about directing AWP Assistance to pay Mr R compensation for distress and inconvenience. However, I consider that Mr R's delay in making the claim has caused most of his distress and inconvenience. So I don't conclude that it would be fair and reasonable to direct AWP Assistance to pay Mr R compensation for distress and inconvenience.

In addition to the policy term obliging Mr R to make the claim immediately after an event arises, there are many other terms. They include, for example, the term excluding cosmetic damage.

So I don't conclude that it would be fair and reasonable to direct AWP Assistance to accept Mr R's claim without further investigation. Rather I conclude that it's fair and reasonable to direct AWP Assistance to process the claim.

My final decision

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct AWP Assistance UK Ltd to process Mr R's claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 20 February 2025.

Christopher Gilbert

Ombudsman