

The complaint

Mr and Mrs C complain that AWP P&C S.A unfairly declined their travel insurance claim.

What happened

Mr and Mrs C have a travel insurance policy that was sold to them as part of a packaged bank account.

On 7 August 2024, Mr & Mrs C missed their flight as their car broke down on the way to the airport. The next available replacement flight departing from either of their two local airports wasn't until 10 August 2024, and they didn't think it was practical to try and fly from anywhere else, so they concluded they weren't going to be able to travel that day. They did initially consider flying later in the week, but they decided against it as they couldn't afford the up-front cost of the tickets and they didn't want to miss three days of their holiday.

Upon returning home from the airport, Mr and Mrs C have said they attempted to speak to AWP, but by the time they got through to the correct department, they had closed for the day. They therefore submitted an online cancellation claim to try and recover the cost of their holiday.

After submitting the claim, Mr & Mrs C were informed by email that it couldn't be progressed unless they provided evidence their trip was cancelled. So, they formally cancelled the holiday and submitted evidence which confirmed this. AWP then declined the claim, as they said while Mr and Mrs C were covered for the cost of arranging additional travel or accommodation expenses to get them to their holiday destination, there was no cover provided under the policy for cancelling the trip entirely.

Mr and Mrs C said this was unfair, as they would expect such a problem to be fully covered under their platinum travel insurance policy, and it wouldn't have been practical or affordable for them to have arranged alternative flights and tried to claim the cost back. However, with the benefit of hindsight they may have considered that option, if they knew it was all they were covered for.

AWP didn't change their position in their final response, and our investigator also concluded the claim had been declined fairly. So, I've considered the complaint afresh.

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 appropriate industry guidelines say insurers have a responsibility to handle claims promptly and fairly. And they shouldn't unreasonably reject a claim. So, I've taken this into consideration when reviewing this complaint.

No travel insurance policy covers every eventuality. The level of cover and insured events are set out in the policy terms, conditions, and exclusions. It's also important to note that

each insurer is allowed to decide what they'd like to cover in exchange for the policy premium.

Mr and Mrs C cancelled their holiday as their car broke down on the way to the airport, so the most appropriate section of the policy is section nine, as this covers missed departures. This section starts on page 37 of the policy wording and says as follows:

What you are covered for:

"We will pay up to £1,000 for reasonable additional accommodation and travel expenses to get you to:

- your trip destination on any part of an outward journey during your trip; or*
- return you to your home on your return journey*

If you fail to arrive at your departure point in time to board your pre-booked aircraft, ship or train as a result of:

- a. the scheduled public transport or connecting scheduled flight on which you are travelling to your point of departure not running to timetable: or*
- b. the private car in which you are travelling being involved in an accident or breaking down."*

I'm satisfied these terms are clear, and reasonably apply to Mr and Mrs C's situation as they missed their flight due to their car breaking down. However, the cover provided is limited to covering the cost of making alternative arrangements and doesn't extend to cancelling the holiday in its entirety.

I've next considered the cancellation section of the policy which starts on page 25. This explains AWP will provide cover if you cancel your trip due to a specified reason such as serious injury or ill health. Having carefully considered each of the listed reasons, I'm satisfied none of them fit the circumstances here. As such, I'm satisfied AWP considered the claim fairly and didn't unreasonably reject it as it wasn't covered under any section of the policy.

I'm aware Mr and Mrs C have said with the benefit of hindsight they may have decided to purchase alternative flights, if they understood this was all they were covered for. However, I'm satisfied the policy terms are clear, and if they wanted help exploring their options, I would reasonably have expected them to have tried calling AWP again, and asked for advice, before they submitted their cancellation claim. So, while I empathise with their position, and I'm sorry they missed out on their holiday, I don't think AWP have done anything wrong.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Mrs C to accept or reject my decision before 8 April 2025.

Claire Greene
Ombudsman