

## **The complaint**

Mr and Mrs G complain because AWP P&C S.A. hasn't paid a claim for a cancelled holiday under their travel insurance policy.

## **What happened**

Mr and Mrs G are insured under a travel insurance policy held as a benefit of a packaged bank account. The insurance is underwritten by AWP.

Mr and Mrs G were due to travel abroad but had to cancel their holiday when their child was advised not to fly after an operation. They made a claim under their policy with AWP, but AWP said the claim wasn't covered because it related to a pre-existing medical condition.

Unhappy, Mr and Mrs G complained to AWP before bringing the matter to the attention of our Service.

One of our Investigators looked into what had happened and said he didn't think AWP had acted unfairly or unreasonably in the circumstances. Mr and Mrs G didn't agree with our Investigator's opinion, so the complaint has been referred to me to make a decision as the final stage in our process.

## **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.

Industry rules set out by the regulator (the Financial Conduct Authority) say insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules into account when making my final decision.

The terms and conditions of the policy applicable at the time of this claim, which form the contract between Mr and Mrs G and AWP, say:

*'What is not covered:*

- *Any claim as a result of a pre-existing medical condition that exists ... at the time of booking your trip (unless terms were agreed in writing by us).'*

The policy defines 'pre-existing medical condition' as:

*'Any disease, illness or injury for which you have experienced symptoms, consulted a doctor or been diagnosed with...'*

The terms and conditions go on to set out the process to be followed to declare pre-existing medical conditions to AWP. The requirement to disclose pre-existing medical conditions to a travel insurer isn't unusual. An insurer is generally entitled to decide the level of risk which it is prepared to accept cover for in line with its own commercial underwriting criteria.

Mr and Mrs G didn't make any declarations to AWP about their family's medical history before booking this trip and, therefore, didn't have cover for any claims relating to issues which fall under the policy definition of 'pre-existing medical condition'.

I understand Mr and Mrs G don't consider the issue which their child needed surgery for to be a pre-existing medical condition, but I'm afraid I simply don't agree. The policy definition of 'pre-existing medical condition' is broad which, for the avoidance of doubt, I don't consider to be unfair or unreasonable and covers far more than the types of medical conditions which Mr and Mrs G have listed.

I appreciate Mr and Mrs G didn't know about the operation when they planned their trip but I'm satisfied, based on the medical information I've seen, that Mr and Mrs G's child was diagnosed with a pre-existing medical condition and was awaiting referral to a specialist medical department at the time the holiday was booked. This means their claim isn't covered under the terms and conditions of the policy.

In line with my remit, I've also thought about whether it would be fair and reasonable for AWP to accept Mr and Mrs G's claim outside of a strict application of the policy terms and conditions. However, even if Mr and Mrs G had told AWP about their child's pre-existing medical condition, I'm satisfied AWP wouldn't have offered them cover for any claims relating to that particular issue. So, I don't think AWP acted unfairly or unreasonably in the circumstances by turning down this claim

While I'm sorry to disappoint Mr and Mrs G, I won't be directing AWP to do anything more.

### **My final decision**

My final decision is that I don't uphold Mr and Mrs G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs G to accept or reject my decision before 15 September 2025.

Leah Nagle  
**Ombudsman**