

The complaint

Mr T and Mrs T complain AWP Assistance UK Ltd (AWP) mis-sold them travel insurance policies.

This complaint has been brought by both Mr T and Mrs T, but as Mrs T has been leading in this complaint, and for ease, I've referred to her throughout.

What happened

The circumstances of this complaint are well known to all parties and so I've summarised events.

In June 2024 Mrs T purchased a travel insurance policy alongside her holiday booking. The policy was to cover her trip abroad due to take place in September 2024. Mrs T said she carried out a medical screening and was under the impression all of her and Mr T's pre-existing medical conditions were covered except for one.

In February 2025 Mrs T purchased another travel insurance policy alongside her holiday booking. The policy was to cover her trip abroad due to take place in September 2025. Mrs T called AWP to carry out a medical screening and was told it would need to cancel the policy and set up a new one. Mrs T was expecting to receive a refund, but instead the amount she was owed was taken off of her holiday booking.

Mrs T spoke with AWP again as she noticed Mr T wasn't covered for Coronavirus. Mrs T said the handler suggested there was an issue and when carrying out the medical screening again told Mrs T it couldn't provide any cover for Mr T. Mrs T ultimately cancelled the policy but she was unhappy she had travelled in September 2024 without the appropriate cover in place and so raised a complaint.

On 19 March 2025 AWP issued Mrs T with a final response to her complaint. It said it had carried out the medical screening incorrectly and the refund Mrs T was expecting in February 2025 wasn't processed as she expected. It said it would pay Mrs T £200 compensation for the inconvenience caused. Mrs T referred her complaint to this Service.

Our Investigator looked into things. She said she thought AWP should pay Mrs T a further £200 compensation, bringing the total compensation due to £400. AWP accepted our Investigator's view but Mrs T didn't agree. She said she thought AWP should refund her the money which should have been refunded to her credit card, and reimburse the premium she paid for her 2024 policy. She also didn't think the compensation suggested was reasonable to acknowledge the distress and inconvenience caused.

As an agreement couldn't be reached, the complaint has been passed to me to decide.

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 want to acknowledge I've summarised Mrs T's complaint in less detail than she's presented it. I've not commented on every point she has raised. Instead, I've focussed on what I consider to be the key points I need to think about. I mean no discourtesy by this, but it simply reflects the informal nature of this Service. I assure Mrs T and AWP I've read and considered everything that's been provided.

AWP has acknowledged it has made errors when carrying out a medical screening which has resulted in confusion for Mrs T about what her policy was providing cover for. It has also acknowledged the refund from February 2024 wasn't processed as Mrs T was expecting and so has now agreed to pay Mrs T a total of £400 compensation. So, I've considered whether I think this is reasonable to acknowledge the impact of its errors on Mrs T.

When Mrs T travelled in September 2024 she was under the impression both her and Mr T's pre-existing medical conditions, except for one, were covered in full. However, only Mrs T's pre-existing medical conditions were covered.

Mrs T has said she believes AWP should provide a full refund of her 2024 policy, but I don't think this would be reasonable in the circumstances. Mrs T's policy was still providing her with cover for her trip as it was only Mr T's pre-existing conditions which weren't covered as expected. Mrs T and Mr T were still covered for claims related to Mrs T's pre-existing conditions, or for other events covered under the policy, such as lost baggage. As Mrs T received the benefit of being covered under this policy, I don't require AWP to refund her the premium she paid for it.

I think Mrs T was caused some distress when she became aware the policy hadn't provided the level of cover she thought it did. However, I've taken into consideration that ultimately Mrs T didn't need to make a claim under the policy. And whilst I acknowledge Mrs T has expressed concerns about what would have happened if she had needed to claim, it wouldn't be reasonable to award compensation for events which ultimately didn't take place.

When Mrs T spoke with AWP in February 2024 she was told her policy would need to be cancelled and then a new policy taken out. Mrs T was expecting to receive a refund to her credit card but instead the refund was deducted from the amount she owed toward her holiday

Mrs T has explained that this caused her difficulties as she needed to find funds from elsewhere to pay the balance due on her credit card. I think this has caused Mrs T considerable distress and this could have been avoided had AWP given Mrs T the option to receive a refund rather than automatically deducting it from the balance due for her holiday.

I acknowledge Mrs T has said she believes AWP should refund this amount to her. However, I don't think this would be reasonable in the circumstances. The refund Mrs T was due was taken from the balance of her holiday, and so Mrs T has ultimately received this refund, just in a different manner to how she expected to receive it. As Mrs T hasn't suffered a financial loss, it wouldn't be reasonable to require AWP to pay Mrs T a further refund.

Taking all of this into consideration I think the £400 compensation suggested by our Investigator is reasonable in the circumstances. Whilst I acknowledge Mrs T has been caused considerable distress and unnecessary inconvenience due to AWP's errors, it wouldn't be reasonable to require AWP provide compensation for events which haven't taken place, nor pay for financial losses Mrs T hasn't ultimately incurred.

My final decision

For the reasons I've outlined above I uphold Mr T and Mrs T's complaint about AWP

Assistance UK Ltd. I require it to pay Mr T and Mrs T a total of £400 compensation. It can deduct any compensation it has already paid as part of this complaint from this amount.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T and Mrs T to accept or reject my decision before 2 January 2026.

Andrew Clarke
Ombudsman