

The complaint

Mr W1, Mrs W, Miss W and Mr W2 are unhappy with the way in which AWP P&C S.A. has handled a claim made on their travel insurance policy for accommodation costs associated with Mr W1 and Mrs W having to extend their trip abroad after Mr W1 had a stroke. They're also unhappy with the service they received.

As this complaint relates to the claim made by Mr W1 and Mrs W, and for ease, I've referred to them throughout.

All reference to AWP includes its agents.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. I'll focus on giving the reasons for my 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.

AWP has a regulatory obligation to handle insurance claims fairly and promptly.

Mr W1 and Mrs W feel very strongly that AWP hasn't acted fairly and reasonably when limiting their claim under the policy terms. I have a lot of empathy for the situation they went through whilst abroad. I know Mr W1 was very unwell, and they were both situationally vulnerable.

However, I'm satisfied AWP has acted fairly and reasonably by restricting the amount due to Mr W1 and Mrs W for the extended accommodation costs under the financial limits of the policy. I'll explain why.

The policy covers trip interruption. It isn't disputed that Mr W1 being ill abroad is an insured event under the trip interruption section of the policy.

The policy terms say:

If you have to interrupt your trip or end it early due to one or more of the covered reasons listed below, we will reimburse you, less available refunds, applicable excess and additional screening excess, up to the maximum benefit for 'Trip interruption' shown in the 'Cover summary', for:

1. The pro-rata portion of your unused non-refundable trip payments and deposits.
2. Additional accommodation fees you are required to pay, if you prepaid for shared accommodation and your travelling companion has to interrupt their trip.
3. Necessary transportation expenses you incur to continue your trip or return to your

primary residence.

- We will reimburse you either for the return travel carrier ticket to your country of residence or for the non-refundable portion of your original return ticket, but not both.
4. Additional accommodation and transportation expenses if the interruption causes you to stay at your destination (or the location of the interruption) longer than originally planned. The maximum we will reimburse you for these 'Prolonged stay expenses' is shown in the 'Cover summary'.

The Cover summary (under the heading "trip interruption") says prolonged stay expenses are capped at £100 per day and a maximum of £500. And as 'you' is defined as 'all persons listed as being insured on the policy confirmation document or schedule', I'm satisfied that these financial limits apply to each person who travelled.

I understand that only Mr W1 and Mrs W stayed beyond the original return date and required extended accommodation. I'm satisfied that AWP has fairly and reasonably concluded that their circumstances are covered under clause 4.

I'm also satisfied that AWP has fairly relied on the policy terms to limit the amount it will pay for the extended accommodation costs for seven nights to £500 each (so, £1,000 in total). I know Mr W1, and Mrs W paid much more than this to extend the accommodation, but I think the terms are clear that the costs will be limited.

I've considered whether capping the claim amount under the trip interruption section leads to a fair and reasonable outcome in the circumstances of this case. And I'm satisfied it does.

Mr W1 says that AWP was contacted at the time. Mr W1 and Mrs W say that they were told that the cost of extended accommodation would be covered so long as it was of a similar standard to the accommodation they'd been staying in. Mr W1 and Mrs W say they weren't told that the cost would be limited to £100 per day, per person (up to a maximum of £500).

In its final response letter, AWP accepts that there was a lack of clear communication regarding hotel arrangements. It accepts that Mr W1 and Mrs W were advised to find another hotel on the understanding that AWP could cover the costs if there was no significant upgrade.

Mr W1 and Mrs W say had they been told about the financial limits in the policy, they would've searched for less expensive accommodation and in line with the maximum of £1,000.

However, even if that would've been their intention, I've considered what is most likely to have happened if they'd been told about the financial limits when contacting AWP.

Mr W wasn't fit to fly for another week, and they'd booked seven nights' extended accommodation at the start of September 2024. They were staying on a Mediterranean island popular as a summer holiday destination and so this was peak season.

In the circumstances, and from what I've seen, I'm not persuaded that there would've been suitable accommodation available for Mr W1 and Mrs W for £1,000 for seven nights – particularly at such short notice. I've also seen nothing which convinces me that there would've been suitable accommodation available which was less expensive than the hotel Mr W1 and Mrs W ended up booking.

I can, of course, understand why being told subsequently that the extended accommodation costs were subject to the financial limits of the policy would've been upsetting and confusing for Mr W1 and Mrs W. However, had they known this at the outset (and before booking the accommodation they ended up choosing), I'm not persuaded on the balance of probabilities that they would've ended up doing anything differently.

However, I do think AWP should pay Mr W1 and Mrs W total compensation in the sum of £200 for the distress and inconvenience they experienced as a result of AWP's failure to give clear information about the extent of the extended accommodation costs being covered under the policy when discussing booking alternative hotels. This would've been upsetting and very disappointing.

Mr W1 and Mrs W are also unhappy that they were required to pay £40 for Mr W1's GP to complete a medical certificate for AWP. It's not unusual for travel insurers to request medical information from the GP before verifying a claim relating to medical treatment abroad. That's to check whether treatment abroad was connected to a pre-existing medical condition, whether all conditions were accurately disclosed when applying for the travel insurance and to check things like whether a beneficiary of the policy had been advised not to travel before their holiday. However, I don't think AWP are responsible for any fees charged by the GP surgery to complete a medical certificate in connection with the claim made by Mr W1 and Mrs W under the policy.

Mr W1 and Mrs W also say that they had to pay for medical costs up front. They say that the treating facility wouldn't treat Mr W1 until payment was made or until AWP confirmed cover and accepted responsibility for medical costs. AWP hasn't provided a complete copy of its internal contact notes. However, usually cover under the policy isn't confirmed until a medical report is received from the treating hospital and, as I said above, the insurer has had an opportunity to request and review the patient's medical history (usually from their GP). So, even if Mr W1 and Mrs W did end up paying for the medical costs (to later be reimbursed by AWP once the claim was verified and accepted), based on the limited information I have, I don't think that was unfair in the circumstances of this case.

Putting things right

I direct AWP to pay Mr W1 and Mrs W £200 in total for distress and inconvenience. It can deduct from this amount, the sum of £100 it offered in its final response letter dated December 2024, if this has already been paid.

My final decision

I partially uphold this complaint to the extent set out above and direct AWP P&C S.A. to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W1, Mrs W, Miss W and Mr W2 to accept or reject my decision before 30 October 2025.

David Curtis-Johnson
Ombudsman