

## **The complaint**

Mr R and Mrs G are unhappy with the way in which AWP P&C S.A. has handled a claim made on their travel insurance policy for costs associated with them having to extend their trip due to them contracting Covid-19 whilst abroad.

They're also unhappy that their claim hasn't been met in full.

All reference to AWP includes its agents. Although, Mr R and Mrs G also travelled with their sons (two of whom are under the age of 17 and so are also insured under the policy), I've referred to Mr R and Mrs G throughout.

## **What happened**

I issued my provisional decision earlier in September 2025 explaining why I was intending to direct AWP to do more than recommended by our investigator to put things right.

An extract of my provisional decision is set out below:

.....

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

Mr R and Mrs G 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.

However, in principle, and for the reasons set out below, I'm satisfied AWP has acted fairly and reasonably by restricting the amount due to Mr R and Mrs G under the financial limits of the policy. But even so, I do intend to find that AWP has underpaid Mr R and Mrs G by £200.

The policy covers trip interruption. It isn't disputed that Mr R, Mrs G and their sons being ill whilst abroad and diagnosed with Covid-19 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, up to the maximum benefit for trip interruption shown in the 'Benefits 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 or 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. There is a maximum cover of £200 in total for all beneficiaries per day for 5 days.

The Benefits summary (under the heading “trip interruption”) says it will cover reimbursement of the cost of an economy class ticket to “return to your country of residence **early**” [my emphasis] or “to enable you to continue your onward journey”.

As Mr R and Mrs G (and their sons) didn’t travel back to the UK early (i.e. before their scheduled return date), I don’t think they’re covered under clause 3 above.

I’m satisfied that AWP has fairly and reasonably concluded that their circumstances are covered under clause 4.

Although, Mr R and Mrs G spent many thousands of pounds on rearranged flights and hotel accommodation when extending their trip, clause 4 is clear that the maximum cover is £200 in total for all beneficiaries per day up to a maximum of five days.

I don’t agree that the terms (read in conjunction with the Benefits summary referred to in the same section) are ambiguous overall.

The Benefits summary also confirms that cover is capped at a total of £1,000 for all beneficiaries (up to £200 per night for a maximum of five nights).

Mr R and Mrs G’s trip was extended for more than five nights and the costs incurred totalled more than £200 per night. AWP has paid £800 representing four nights but I don’t think that’s right. I’m intending to find that AWP should pay a further £200 which means the £1,000 limit under this clause has been reached.

I’ve considered whether the principle of capping the claim amount under the trip interruption section leads to a fair and reasonable outcome in the circumstances of this case.

Before extending their trip, and incurring the costs associated with this, their son contacted AWP and was told that flight and accommodation costs would be covered in full if Mrs G (who was the first in the family to become ill with symptoms of Covid-19) couldn’t fly home on her scheduled return flight.

He was also informed that if other family members also became ill, and they had to quarantine and extend the trip for this reason, their flight costs would also be covered.

This information was repeated to Mr R and Mrs G’s son after he called AWP when he and his family had returned back to the UK.

However, from the information I’ve been provided, I’m satisfied that if Mr R and Mrs G’s son had been given the correct information when he first contacted AWP – and been told about the maximum benefit available under the trip disruption section – Mr R and Mrs G (and their sons) wouldn’t have done anything different on the balance of probabilities.

They’ve told us (and it’s also reflected in the claim form submitted to AWP) that they were feeling very unwell, were bed bound for the first few days and were in quarantine for five days. So, I don’t think they would’ve made their original flights home – which were scheduled

for the day after the positive covid-19 test.

After submitting their claim, I accept that it would've been very confusing and upsetting to discover that Mr R and Mrs G's son had been given the wrong information and that Mr R and Mrs G's claim was subject to the financial limits of the policy. And, so, AWP wouldn't be covering a large amount of their costs despite earlier assurances. This would've been exacerbated by other poor service issues which AWP has accepted.

AWP has apologised and offered £600 compensation to reflect the impact on them.

I know Mr R and Mrs G will be very disappointed, but I think this fairly reflects the distress and inconvenience they experienced.

I've also considered that their older son made a claim under his travel insurance policy, also underwritten by AWP. And his portion of the claimed costs were covered in full and weren't subject to the same financial limit. However, I'm not persuaded that it would be fair and reasonable for me to direct AWP to pay Mr R and Mrs G's claim on a similar basis. There could be many reasons why their older son's claim was settled in this way. For example, this could've been an error that he benefitted from.

I've also considered whether the claim is covered under any other section of the policy. But I'm not persuaded it is.

.....

I invited both parties to provide any further information in response to my provisional decision.

AWP accepted my provisional decision.

Mr R and Mrs G disagreed. In summary they said:

- The information received from AWP reasonably led them to believe that flight and accommodation costs would be reimbursed in full. Had they known that they'd only be covered up to £1,000, they would've made different decisions; even taking the risk of travelling whilst unwell.
- There were subsequent confirmations that the costs would be covered after they returned.
- It's unfair, inconsistent and discriminatory for AWP to treat their claim differently to their older son's. The policy terms and conditions are the same.
- There's ambiguity in the policy wording and so, the terms must be interpreted in favour of the consumer under consumer rights legislation

### **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.

That includes the further points raised by Mr R and Mrs G in response to my provisional decision.

Having done so, I'm satisfied that there's no compelling reason to depart from my provisional findings. I'll explain why.

I'd already considered many of the points raised by Mr R and Mrs G when provisionally deciding this case. And the additional points haven't changed my mind.

I can understand why Mr R and Mrs G are disappointed. I agree that they were given the wrong information by AWP. This would've been upsetting and confusing. I remain satisfied that £600 compensation fairly reflects the distress and inconvenience they experienced because of this.

Mr R and Mrs G also experienced a financial loss. They paid for their flights and accommodation, and AWP has sought to apply the policy financial limits. Mr R and Mrs G say had they been given the correct information, they would've taken different decisions and maybe would've travelled home unwell.

I can't know for sure what they would've done and it's, of course, possible that they would've done that. However, I'm not persuaded that is what most likely would've happened on the balance of probabilities. Mr R and Mrs G have previously described how poorly they were, bed bound and in isolation. I think it's unlikely that they would've risked travelling in such circumstances.

They've also explained that prices were high. It's unlikely that they would've been able to find more affordable accommodation or flights. And I've seen no documentary evidence that there were cheaper flights and accommodation available at the time.

Mr R and Mrs G's claim has been treated differently to their older son's. I can see why they'd think this was unfair; they've been treated differently. However, on the balance of probabilities, I'm not persuaded that they've been singled out for any particular reason.

There could be many reasons why their son's claim was paid but theirs wasn't – including that AWP made a mistake when paying their son's claim in full. I don't think it would be fair and reasonable for me to direct AWP to pay Mr R and Mrs G's claim in full (and outside the policy terms) on the basis that their older son's claim wasn't subject to the same financial limits.

For reasons already explained in my provisional decision (an extract of which is set out above and forms part of this final decision), I don't agree that the policy terms were unfairly ambiguous around what the trip disruption section of the policy covers.

### **Putting things right**

I direct AWP to pay Mr R and Mrs G a further benefit of £200. It should also pay simple interest at a rate of 8% per year from one month after the claim was made under the policy to the date this payment is settled.

This is in addition to the sum of £600 compensation for distress and inconvenience offered by AWP, which should also be paid if hasn't been already.

### **My final decision**

I intend to partially uphold this complaint but only 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 R and Mrs G to accept or reject my decision before 27 October 2025.

David Curtis-Johnson  
**Ombudsman**