

The complaint

Mr T1 and Mrs T, Miss T, Mr T2, and Mr T3 complain that AWP P&C S.A. declined their travel insurance claim.

My references to AWP include its claim handling agent.

As Mr T1 has taken the lead on the claim and complaint I'll refer to Mr T1 to include all the complainants unless the facts require otherwise.

What happened

Mr T1, Mrs T and their children have travel insurance through a bank account, insured by AWP. On 9 April 2025 they had been due to fly from the UK to an island in Europe but the day before the airline told Mr T1 the flight was cancelled due to an airline strike.

Mr T1 says there were no alternative direct flights available until the following week and the trip was only for seven days. Rather than abandon the whole trip he booked alternative flights from the original UK airport travelling through another country and continuing to the original destination. Mr T1 received a refund from the airline for the cancelled outbound flight and he claimed on the policy for the additional costs he incurred.

AWP declined the claim. It said the claim wasn't covered by the policy terms because the flight had been cancelled before Mr T1 and his family had travelled to the departure point and checked in.

Mr T1 complained to us that AWP's decision was unfair. In summary he said:

- He'd checked in online on 5 April 2025 and he and his family were at the departure point on the date of the original flight as the alternative flight departed the same date. So they had "*travelled to the departure point and checked in*" as the policy terms required.
- The policy explicitly acknowledges online check in as acceptable when combined with travel to the departure point, which was their situation. AWP said they had to be waiting at the airport when advised of cancellation to be covered but that wasn't clear in the policy terms.
- AWP had said that as the original flight had been refunded he'd not been out of pocket, which ignored the additional costs he claimed.
- AWP had misunderstood the purpose of travel disruption insurance and applied an unreasonably restrictive interpretation, contrary to fair customer expectations.
- He wants AWP to pay the claim. He had to spend significant time dealing with AWP's claim rejections and factual errors. He also felt misled about the policy cover.

Our Investigator said AWP had reasonably declined the claim.

Mr T1 disagrees and wants an Ombudsman's decision. He added that he believed a reasonable policyholder would understand the policy wording "*delayed at your point of departure*" to mean being unable to progress from that point as planned - not that the policyholder had to be informed of the flight delay/cancellation while physically at the departure point. He emphasised that: the policy terms don't refer to the timing of notification of a cancellation; he'd suffered a genuine loss; he'd met the policy requirements by having checked in and travelled to the departure point; he'd acted reasonably in making alternative arrangements and incurred additional costs the policy covered. He added that if an Ombudsman considered the claim wasn't covered then the policy was mis-sold. Our Investigator didn't change her mind.

As there's no agreement 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've considered all the points Mr T1 has made but I won't address all his points in my findings. I'll focus on the reasons why I've made my decision and the key points which I think are relevant to the outcome of this complaint.

Mr T1 has recently raised he believes the policy may have been mis-sold. The policy is through a bank account but if he has concerns that the policy was mis-sold he will need to complain to the business which sold the policy and if agreement can't be reached he can complain to us about that separate matter. This decision isn't about whether or not the policy was mis-sold.

This decision is about AWP's decision not to pay the claim. The relevant regulator's rules say that insurers must handle claims promptly and fairly and they mustn't turn down claims unreasonably. I'm sorry to disappoint Mr T1 but I think AWP reasonably declined the claim. I'll explain why.

The policy terms under the "Travel disruption" section say:

"Travel delay

The benefit provided below is intended to provide compensation if you are delayed at your point of departure and is only applicable if you have travelled there and checked-in. If you have not travelled to your departure point you will not be covered, even if you have checked-in online.

1. A delay of your pre-booked public transport resulting in you departing at least 12 hours after your original scheduled departure time; or

2. You being involuntarily denied boarding because there are too many passengers for the seats available and no suitable alternative flight could be provided within 12 hours; or

3. Abandonment of your trip following 12 hours of delay at your first international departure point in the UK;

We will pay you:

1. £30 as a benefit for the first complete 12 hours of your delay, then £20 (up to

a maximum of £250) as a benefit for every complete 12 hours of delay after that, if you continue to travel on your trip; or

2. *Up to £5,000 for either:*

a. The refund your share of the cost of your trip that you cannot claim back from any other source as a result of the abandonment of your trip; or

b. Your reasonable additional travel (including up to £200 for taxis and hire cars) and accommodation expenses...if you have to make alternative arrangements to reach your destination..."

Mr T1 told us he checked in online for the original flight on the 5 April 2025 from home. He found out the original flight was cancelled while he was home on the morning of 8 April and he booked the new flights the same day at around 1pm. The new flights were at the same airport as the original flight on the original date. He believes he's met the policy terms by having checked in and travelled to the point of departure.

But the policy wording is about the required circumstances for the claimed for flight. I think the policy wording that cover applies "*if you are delayed at your point of departure and is only applicable if you have travelled there and checked-in*" is clear that there's cover only if a policyholder had travelled to the point of departure for the claimed for flight and checked in, in that order.

The policy wording emphasises that even if a policyholder had checked in on line they will not be covered if they haven't travelled to the departure point, which I think can only reasonably be read to mean for the claimed for flight. That wasn't Mr T1's situation – he checked in on line four days before the flight, he was told of the flight cancellation one day before the flight and although he travelled to the departure point on the date of the cancelled flight he went there to catch the alternative flight.

I'm satisfied that in the circumstances of the claim AWP reasonably said the claim wasn't covered by the policy terms and declined the claim in line with the policy wording.

I also need to decide what's fair and reasonable in all the circumstances of the complaint. Mr T1 incurred additional costs which he couldn't recover and I understand why he made the alternative arrangements to still have the family holiday and minimise his loss. But that doesn't have to mean the claim is covered by the policy. It's for an insurer to decide what risks it wants to insure and it needs to clearly set out the insured risks in the policy, as AWP has done in this policy. Those risks don't include the unfortunate circumstances Mr T1 and his family found themselves in and, although that was through no fault of their own, I can't reasonably say AWP has to cover the claim.

I appreciate Mr T1 has spent considerable time in corresponding with AWP and making the complaint. I don't generally award compensation for the time a consumer has spent in making a complaint and there's no reason for me to do so in this case. Also, I only award compensation for distress and inconvenience when that's been caused by the unreasonable action of an insurer. AWP hasn't acted unreasonably and there's no basis for me to say it has to pay compensation to Mr T1.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T1 and Mrs T, Miss T, Mr T2, and Mr T3 to accept or reject my decision before 1 January 2026.

Nicola Sisk
Ombudsman