

The complaint

Mr M is unhappy with the way AWP P&C SA handled a claim made under his travel insurance policy ('the policy'). The airline cancelled an internal flight abroad because of a storm and he was unable to continue with a pre-booked itinerary (with his wife and children).

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.

When considering what is fair and reasonable in all the circumstances of the case, I've taken into account relevant law and regulations, regulator's rules, guidance and standards, codes of practice and good industry practice at the relevant time.

I empathise with the situation Mr M and his family found themselves in whilst abroad. Their flight was cancelled through no fault of their own and they ended up staying in the city where they were rather than continuing with their planned itinerary.

I know Mr M will be disappointed but for the reasons set out below, I'm not going to direct AWP to do anything more in this case. So, I don't uphold his complaint.

Subject to the remaining terms of the policy, 'delayed departure' is covered. The policy terms say:

Part A – Delayed Departure

We will pay up to £250 for your additional accommodation, travel and refreshment costs if, after you have checked in, your pre-booked aircraft, ship or train is delayed by more than four hours beyond the time shown on your travel itinerary at the departure point.

Part B – Abandonment Before Departure

We will pay up to £5,000 for your:

- unused deposits;
- accommodation and travel costs (including car hire, excursions and activities);
- unused kennel, cattery, professional pet sitter; and
- car parking charges

that you have paid or legally have to pay if you choose to abandon your trip because your pre-booked aircraft, ship or train is delayed beyond the time shown on your travel itinerary at the point of departure by more than:

- six hours if your trip is scheduled to last four nights or less; or
- 12 hours if your trip is scheduled to last five nights or more.

Alternatively, you may choose to continue to your intended destination by alternative means, in which case we will cover you for the lower of the costs so incurred or the amount it would have cost to abandon your trip.

The 'delayed departure' section of the policy also says AWP won't cover:

...any claim where the aircraft, ship or train on which you are booked to travel is cancelled by the carrier...

Departure point is defined as:

The airport, coach or train station, or port where:

- the outward journey of your trip begins;
- your return journey back home begins; and
- any pre-booked connecting transport during your trip leaves from.

AWP has a regulatory obligation to handle insurance claims fairly and promptly. And not to unreasonably decline a claim.

It isn't disputed that the internal flight on which Mr M and his family were due to travel (from one city to another) was cancelled by the airline due to bad weather. As such, they were unable to continue with their pre-booked itinerary and were out-of-pocket for the cost of the flight, pre-booked transfers and accommodation for the remaining nights of their trip ('the pre-booked expenses').

They also spent money on taxis and alternative accommodation staying in the city they'd been due to depart from ('the further expenses').

I'm satisfied that AWP has fairly and reasonably relied on the policy terms to decline the claim for the pre-booked expenses. Although, they had to abandon continuing their trip, this wasn't because their flight was delayed for over six or 12 hours; it was because it was cancelled.

I appreciate that Mr M and his family were unable to continue to their intended destination by alternative means due to bad weather. However, the delayed departure section clearly sets out claims under this section aren't covered where the aircraft they'd booked to travel on is cancelled by the carrier (in this case, I'm satisfied that reasonably means the airline).

Mr M says if this exclusion is applied literally, the section would become totally meaningless as most abandonments arise because the booked transport is delayed or cancelled by the airline. However, the exclusion doesn't apply to delayed flights, only if the flight is cancelled by the airline. So, I'm not persuaded that the application of the exclusion does overly restrict the cover provided for abandonment before departure.

AWP has agreed to cover the further costs outside of the terms of the policy, it says, as an exception in the circumstances. This equates to around £625.

In its final response letter dated October 2024, AWP accepted that it had initially mishandled Mr M's claim. It should have quickly identified that this wasn't a claim covered under the policy and communicated this from the start, saving him the trouble of arranging and submitting necessary documents. Mr M was also given confusing information.

I'm satisfied this would've been frustrating and put Mr M to unnecessary trouble. But I'm also satisfied that the amount paid by AWP fairly and reasonably reflects the distress and inconvenience Mr M experienced because of its initial error.

Further, I'm not persuaded that because AWP has decided to reimburse the further expenses outside the terms of the policy terms that it would be fair and reasonable for me to direct AWP to also cover the pre-booked expenses or any other costs incurred by Mr M because of what happened. I'm satisfied the pre-booked expenses aren't covered under the policy and the further expenses paid by AWP have been paid as an exception and to reflect the distress and inconvenience caused to Mr M.

Unfortunately, travel insurance policies don't cover all situations. I appreciate that the holiday was disrupted for reasons outside of Mr M and his family's control and they couldn't continue with the trip they had planned. I appreciate how disappointing this would've been. However, I don't think that means in the circumstances of this case that it would be fair and reasonable for the policy to meet a claim which isn't covered, and is excluded, under the policy.

My final decision

My final decision is that AWP P&C SA doesn't need to do anything more to put things right. So, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 18 December 2025.

David Curtis-Johnson
Ombudsman