

## **The complaint**

Mr E and Mrs P have complained that AWP P&C S.A. (AWP) declined a claim they made on a travel insurance policy associated with a bank account. They are also unhappy that it sought advice from this service during the period of dealing with their complaint.

## **What happened**

Mr E and Mrs P were due to travel abroad in September 2024. However, they unfortunately had to cancel the trip due to Mrs P being diagnosed with cancer and starting treatment. AWP declined the cancellation claim on the basis that the circumstances are not covered under the policy terms.

In responding to the complaint, AWP maintained its decision to decline the claim. However, it paid £100 compensation for delay in reviewing the case.

Our investigator thought that AWP had acted reasonably in both declining the claim and in contacting this service for advice. Mr E and Mrs P disagree and so the complaint has been passed to me for a 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.

I've carefully considered the obligations placed on AWP by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for AWP to handle claims promptly and fairly, and to not unreasonably decline a claim.

Insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. The test then is whether the claim falls under one of the agreed areas of cover within the policy.

In this case, AWP declined the claim on the basis that Mrs P did not inform it that she had a pre-existing medical condition (PEMC) that she was awaiting a diagnosis for. And, if she had, it would have declined cover for anything relating to her symptoms until investigations had been completed.

So, I've considered the terms of the policy held, as this forms the basis of contract between the parties. There are several terms within the policy which I consider relevant to the complaint.

The definition of 'pre-existing medical condition' is:

*'Any disease, illness or injury for which you have experienced symptoms, consulted a doctor or been diagnosed with before opening your Halifax Ultimate Reward Current Account or when renewing your medical screening declaration on the health check date.'*

Under the heading 'Health declaration and health exclusions', it states:

*'Your policy does not automatically include cover for pre-existing medical conditions. Before you travel, please take a good look at the medical screening questions below. To make sure your policy is not affected for any trip, you must declare all pre-existing medical conditions when:*

- *First opening your Halifax Ultimate Reward Current Account;*
- *Renewing your medical screening declaration on the health check date;*
- *There are any changes in your health, or prescribed medication between making your declaration and booking a trip.*

#### *Medical screening questions*

*You must provide us with further details about your pre-existing medical condition, if:*

- *You answer yes to any of the following medical screening questions*

*To do this, visit (.....)*

*If you fail to do this, it may mean you will not be covered for related claims.*

*In the last 6 months have/are you or any person to be insured on this policy:*

- 1. Been prescribed medication?*
- 2. Received treatment for or consulted a doctor about any medical condition?*
- 3. Attended a hospital or clinic as an out-patient or in-patient for any reason?*
- 4. Been diagnosed as having a terminal condition?*
- 5. Currently awaiting tests, investigations, treatment, surgery; are awaiting the results of any tests or investigations?*

*We may be able to include cover for your pre-existing medical condition(s), however, an extra premium may be required. We have the right to exclude cover or to not continue cover when you renew your medical declaration at your health check date.'*

The wording further states, under 'Health exclusions':

*'In all instances, you will not be covered for:*

- 1. Any pre-existing medical condition you have at a health check date that you are aware of and have sought, but not received, a diagnosis.'*

Then, under 'Section 1, Cancellation or curtailment', it states:

*'What is not covered:*

*Any claim as a result of a pre-existing medical condition that exists either at the time you open the (Bank) Current Account or at the time of booking your trip (unless terms were agreed in writing by us).'*

Mrs P discovered a lump in her breast and so visited her GP in late June/early July 2024. The GP she saw during that visit said it wasn't a matter for concern and didn't recommend any further action. Mrs P remained concerned about the lump and so arranged to see another GP on 18 July 2024. That doctor did recommend further investigations and make a referral to the breast clinic.

It was following this, on 31 July 2024, that Mr E and Mrs P booked their holiday. However, Mrs P was subsequently diagnosed with breast cancer on 15 August 2024 and, due to the timing of her treatment, they had to cancel the trip.

AWP declined the claim due to the above 'Health exclusions' cause, as the trip was booked after Mrs P's consultation with the GP on 18 July 2024.

Mr E has argued that AWP has ignored the outcome of the earlier GP appointment, in which no concerns were expressed, in its reasoning. He says that, given the two different doctor's opinions, it was not possible to confirm that breast cancer symptoms existed on the day the trip was booked.

He's talked about a scenario in which the GP opinions happened the other way around. So, the first GP saying that more investigations were required and the second GP saying there was nothing to worry about. He says that, if it had happened that way around, the findings of the second GP would have cancelled out that of the first. He argues that AWP's risk hadn't changed just because it didn't happen in that order, because the two GP opinions still essentially cancelled each other out, leaving a neutral position.

Firstly, I can't look at hypothetical situations in relation to what might have happened. I can only look at what did happen and whether AWP acted fairly and reasonably in the circumstances. Contrary to what Mr E believes, I consider that the timing of events is a relevant consideration. It is the case that it was known on 18 July 2024 that Mrs P was being referred for further investigation of her symptoms, and the trip was booked after this date.

Secondly, whilst understanding Mr E's argument, I'm not persuaded that the calculation of risk is as simple as he suggests. The health exclusion wording within the policy specifically excludes conditions for which a diagnosis has not been received. This says something about AWP's risk appetite in this area. It's not possible to accurately calculate risk without all of the facts, which is why AWP, in common with other insurers, will not cover conditions where a diagnosis is outstanding. By simply having symptoms of a condition, even without a diagnosis, the health exclusion comes into force.

To be clear, the PEMC was breast cancer. The symptom of this condition was the lump. Mrs P had the PEMC at the time of booking the trip, although it hadn't yet been diagnosed. However, it being undiagnosed isn't the key factor here, as the definition of PEMCs also includes any disease for which someone has experienced symptoms or consulted a doctor. Whilst the two doctors may have had differing opinions on whether the lump was a symptom of breast cancer, the fact is that it was, as later diagnosed by the hospital.

Overall, based on the available evidence, I'm satisfied that AWP would have excluded cover for the PEMC if it had known that Mrs P had symptoms for which she was awaiting investigations. Therefore, as the breast cancer was the reason for cancelling the trip, it acted reasonably in declining the claim.

This service has a Business Support Hub and Mr E thinks it's unfair that that AWP contacted it for advice about the case during the period of his complaint.

AWP declined the claim on 9 October 2024. It then issued its final response letter to the complaint on 21 October 2024, in which it maintained the declination decision. It wrote a further letter on 25 November 2024, maintaining the decline but offering £100 as a gesture of goodwill. So, by this point, it had already explained its position on the claim three times.

It was during ongoing correspondence with the CEO's office in January 2025 that AWP told Mr E that it would consult the Business Support Hub. The advice received from this service, based on anonymised information, reinforced to AWP that it had reached the right outcome.

There's nothing untoward in AWP contacting the Business Support Hub, as that's what it's there for. And I'm not persuaded that it made contact because it was unsure of its position on the claim, because it had clearly set out its position a number of times previously. It seems to me that the contact was made in the context of continuing correspondence from Mr E, in an attempt to bring the matter to a close. And, as I have found above, it had reached the correct outcome when initially assessing the claim.

I'm so sorry about the health crisis that Mrs P has faced. It must have been a very difficult and stressful time and I do wish her well. I'm also very sympathetic to her and Mr E's situation. Having to cancel the holiday, see their claim declined and then making a complaint, can only have added to the stress. However, the matter at hand is whether AWP has done anything significantly wrong – and I'm unable to conclude that it has. I consider it was reasonable for it to decline the claim, in line with the policy terms and conditions, and offer £100 as a gesture of goodwill for the delays that occurred. It follows that I do not uphold the complaint.

### **My final decision**

For the reasons set out above, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E and Mrs P to accept or reject my decision before 6 March 2026.

Carole Clark  
**Ombudsman**