

## **The complaint**

Mr S complains that AWP P&C S.A. hasn't paid his travel insurance claim and about its service. My references to AWP include its claim handling agent.

## **What happened**

Mr S has travel insurance through his bank account. AWP is the insurer. He says he and his partner had to cancel their trip due to a very traumatic incident (which he detailed). He claimed on the policy for the lost accommodation and travel costs and shipment costs for specified items.

On 12 July 2025 (shortly after the claim was made) AWP asked Mr S to provide documents supporting his claim.

On 25 July 2025 Mr S provided the booking confirmations for the flight, train and accommodation. He also provided cancellation confirmation from the accommodation provider and a police report about the incident causing the cancellation.

On 30 July 2025 AWP asked Mr S for: documentary confirmation of the flight cancellation showing cancellation date, cancellation cost, refund amount and airline reward points; documentary confirmation of the train booking company's cancellation invoice with refund confirmation; evidence about shipment cost of the items; confirmation if he was claiming for the whole cost, along with proof of payment for the trip.

The same day Mr S told AWP the travel plans were cancelled over the phone and he had no documents confirming cancellation for the flight or train. He provided evidence about the airline points scheme and about the shipment cost.

On 31 July 2025 AWP told Mr S the shipment cost wasn't covered under the policy terms and it needed documentary confirmation of the travel cancellations to progress the claim.

Mr S complained to AWP that it was asking for documents he'd told it didn't exist. On 11 August 2025 AWP's final response letter set out why it needed the outstanding documents to verify the claim. It acknowledged its communication could have been more 'empathetic and informative' and offered Mr S £150 for his distress and inconvenience. AWP said it still needed the outstanding evidence to reassess his claim.

Mr S complained to us. In summary he said:

- AWP didn't clearly explain its requirements at the outset and acted unfairly by repeatedly asking for documents that he'd supplied or didn't exist. AWP asked for an invoice about shipment costs then told him the cost wasn't claimable under the policy. Its repeated requests caused him confusion and distress and delays.
- AWP treated the process as a 'box-ticking exercise'. It acknowledged its poor communication but made no effort to resolve the issue or settle the part of the claim he'd fully evidenced. Its final response letter again asked for 'impossible documents'

instead of providing a 'fair and compassionate' outcome.

- AWP's service made a terrible situation even worse. He and his partner were dealing with shock and the aftermath of a traumatic event. He expected AWP to provide clarity, empathy, and a straightforward process. Instead AWP's actions added significant emotional strain, took up hours of his time and prevented closure when he should have been focusing on recovery.
- He wants AWP to pay for the cancelled accommodation and any other evidenced costs under the policy. He also wants more compensation for his distress and inconvenience caused by AWP's handling of the claim.

During our investigation Mr S raised that he'd heard from the bank, through which he has this policy, with a final response to a complaint he made about the bank giving his personal information to AWP and the bank's response time to that complaint. Mr S wanted this Service to uphold his complaint against the bank for mishandling his personal data and failing to provide the correct standard of care under his bank account.

Our Investigator told Mr S that allegations of a data protection breach are overseen by the Information Commissioner's Office and complaints purely about how a business dealt with a complaint fall outside the remit of this Service.

On Mr S' complaint about AWP, our Investigator considered AWP had reasonably handled the claim and its offer of £150 compensation for Mr S' distress and inconvenience due to its service was fair.

Mr S disagrees and wants an Ombudsman's decision. In summary he added:

- AWP requiring documents which don't exist and can't reasonably be obtained creates an impossible requirement that prevents the claim from progressing and disproportionately affects the settlement of the fully evidenced part of the claim for the accommodation. Under the Financial Conduct Authority's (FCA) 'Principles for Businesses', Principle 6, and the Insurance Conduct of Business Sourcebook (ICOBS) 8.1.1 insurers are required to handle claims promptly and fairly, including settling any element that is undisputed or fully evidenced.
- The circumstances surrounding the claim were extremely traumatic and hadn't been fully taken into account when considering the fairness of AWP's claim handling. He was trying to manage a cancelled trip during a time of shock and distress and AWP should have shown greater empathy and flexibility.
- He didn't initiate the complaint to AWP. It was made by his bank who forwarded his email, which contained sensitive information, to AWP without his consent. The fairness and appropriateness of the bank's conduct as the distributor of the policy is within this Service's remit but hasn't been considered.

Our Investigator explained why he hadn't changed his mind. As there's no agreement between the parties the complaint has been referred to me to make 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 considered all the points Mr S has made. I won't address all his points in my findings because 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.

Our Investigator correctly explained that the rules under which this Service operates don't give us the remit to consider complaints purely about how a business has handled a complaint. If Mr S wishes to make a complaint about the service he received from the bank then he will need to make a separate complaint to us about that matter.

This decision is only about Mr S' complaint about how AWP handled his claim.

Mr S considers that AWP acted contrary to the FCA's principles and regulatory requirements. In considering what's fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and, where appropriate, what I consider to have been good industry practice at the relevant time.

The relevant regulator, the FCA's, rules say that insurers must handle claims promptly and fairly and they mustn't turn down claims unreasonably.

I'm very sorry about the traumatic event that led to the cancellation of Mr S and his partner's trip. It was a terrible time for them and Mr S dealing with the administrative task of making a claim would have been difficult in those circumstances. However, I think AWP reasonably required documentary confirmation of the travel cancellation in order to assess and verify the claim. I also think its offer of £150 compensation for Mr S' distress and inconvenience was fair. I'll explain why.

The policy sets out what documents Mr S needs to provide in support of making a claim. As well as generic documents there are some specific documents needed for a cancellation claim which include '*Cancellation invoice(s) from all of your travel and accommodation providers detailing all cancellation charges incurred*'. The policy also says AWP may ask for further evidence after a claim has been made.

As well as the policy setting out what Mr S needs to provide, the travel cancellation documents AWP asked for to assess and verify the claim are usual when an insurer needs to verify a travel insurance cancellation claim. Although the cancellation was due to a traumatic event that doesn't mean AWP acted unreasonably in requiring those documents. Mr S says documentary confirmation of the flight and train cancellation charges are impossible to get. But that shouldn't be so, travel providers are routinely asked to provide such information because it's a usual requirement for policyholders making a travel insurance cancellation claim. Even if it's not in the form of an 'invoice' both travel providers should be able to provide written evidence of the necessary information AWP has reasonably requested.

Mr S says AWP should at least have paid the accommodation cost, for which he has provided written cancellation confirmation. He's referred to the following FCA's regulatory requirements which he says require insurers to settle any element that is undisputed or fully evidenced.

ICOBS 8.1.1 says:

*'An insurer must:*

*(1) handle claims promptly and fairly;*

*(2) provide reasonable guidance to help a policyholder make a claim and appropriate information on its progress;*

*(3) not unreasonably reject a claim (including by terminating or avoiding a policy);*  
*and*

*(4) settle claims promptly once settlement terms are agreed'.*

The FCA's Principle 6 says *'A firm must pay due regard to the interests of its customers and treat them fairly'*.

Neither of those requirements say an insurer should pay a partial settlement when the fundamental claim itself - in this case that the trip was cancelled and as a result financial losses were incurred - hasn't been established. I think AWP has acted reasonably in not paying for the accommodation cost when it's still waiting for the necessary documents to be able to verify the cancellation claim as a whole.

I'm satisfied that on the information AWP had it acted reasonably in relation to the claim. If Mr S obtains the written confirmation it's requested to be able to assess and verify the claim he can send that to AWP. I'm not aware of any reason why AWP couldn't assess the claim once it has the required information.

Mr S was in a very distressing situation and he's been very upset and frustrated by AWP's response to his claim. But I only award compensation for distress and inconvenience when that's been caused by the unreasonable action of an insurer. I've explained above why I think AWP acted reasonably about the claim. I think AWP's final response letter clearly sets out why it had requested the documents and acknowledges what a difficult and challenging time it was for Mr S and his partner. It accepted it could have been clearer and more empathetic in its earlier communication. AWP had asked for information about the shipment of items cost then on receipt of the information said the cost wasn't claimable under the policy terms. I appreciate sending a piece of information AWP didn't need would have been frustrating for Mr S, but I don't think that merits me making a compensation award any higher than the £150 AWP had already offered before he complained to this Service.

If Mr S now wishes to accept AWP's offer of £150 compensation for his distress and inconvenience he should contact AWP direct.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 3 March 2026.

Nicola Sisk

**Ombudsman**