

The complaint

Mr O complains about AWP P&C S.A.'s (AWP) decline of his travel insurance claim.

My references to AWP include its claim handling agents.

What happened

Mr O had single trip travel insurance, insured by AWP. On 20 May 2025 he arrived home from his trip and on unpacking his suitcase he realised his suitcase was damaged and his designer brand toiletry bag with contents was missing. Mr O tried to log a claim on AWP's portal but it wasn't working so on 21 May he phoned AWP to make the claim and give details.

About a week later AWP declined the claim. It said Mr O hadn't reported the loss to the airline within 24 hours of the loss so under the policy terms there was no cover.

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

- He couldn't log onto AWP's online portal to make the claim or see the policy document to know he needed to report the loss to the airline. When he phoned to tell AWP about his claim it didn't tell him he needed to report the loss. If it had done so he would have made the report to the airline immediately.
- AWP initially said the claim had been declined because he made the claim over 24 hours later than the loss. He'd claimed within 24 hours of discovering the loss, which AWP then accepted. But still when he offered to contact the airline to get a loss report AWP told him it was too late.

Our Investigator said AWP had acted unreasonably. She recommended AWP reassess the claim in line with the remaining policy terms and if the claim was accepted it should add interest on any settlement paid. She also recommended AWP pay Mr O £150 compensation to acknowledge his distress and inconvenience caused by its poor service in getting wrong the timeframe in which he reported his claim, Mr O's problems in trying to access AWP's online portal and it unfairly declining the claim.

AWP disagreed and wanted an Ombudsman's decision. In summary it said:

- Mr O said he was unable to set up his claim online as he only had his mobile phone so its representative agreed to set up the claim for him.
- It would be very difficult for claims handlers to tell policyholders about every policy condition that relates to their claim. If Mr O had made the claim online, as was the usual process, he wouldn't have been reminded of all the policy conditions.

- Policyholders are required to report any loss to a travel provider within 24 hours of discovery as the earlier a loss is reported the more likely items are to be located.
- The items Mr O claimed for include designer items and not reporting the loss to the airline raises concerns.
- Mr O accessed its portal approximately two minutes after finishing the call telling it about the claim and he went on to access its portal four more times over five days.

As there was no agreement between the parties the complaint passed to me to decide. Before I made my provisional decision I asked for the recording of the call where Mr O first told AWP about the claim. I also asked AWP if it could provide evidence to support that after the call Mr O was able to access the portal.

What provisionally decided – and why

I made a provisional decision explaining why I was intending to uphold this complaint but for different reasons than our Investigator gave and with a different outcome of what AWP needed to do. I said:

'I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

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

The policy says under the "Baggage" section:

"If your baggage is lost, damaged or stolen while you are on your trip, we will pay you, less available refunds, the lesser of the following, up to the maximum benefit for Baggage as shown in the Cover Summary (high value items are subject to the maximum sub limit listed for high value items);

...

2. Cost to replace the lost, damaged or stolen baggage with the same or similar item, reduced by 10% for each full year since the original purchase date, up to the maximum of 50% reduction.

The following conditions apply:

...

b. You have filed and retained a copy of a report giving a description of the property and its value with the appropriate...travel carrier...within 24 hours of discovery of the loss...

d. You must provide original receipts or another proof of purchase for each lost, damaged, or stolen item. For items without an original receipt or a proof of purchase, we will only cover 50% of the cost to replace the lost, damaged, or stolen item with the same or similar item".

Mr O didn't report the loss/theft of his items to the airline within 24 hours of discovering the loss so AWP correctly declined the claim in line with the policy terms.

But I also need to decide what's fair and reasonable in all the circumstances of the complaint.

The requirement for a policyholder to report a loss/theft to an airline isn't unusual, it's standard in most if not all travel insurance policies. Generally I think an insurer is entitled to have reasonable evidence to support that a loss happened before agreeing to pay a claim.

In addition if a designer (or other high value) item has been lost/stolen while in the care of an airline I would generally also consider it reasonable for a consumer to have contacted the airline about the loss anyway.

But I've listened to the recording of the call when Mr O spoke to AWP to log his claim and there are two particular reasons why I consider it would be fair and reasonable for AWP to reassess the claim without taking into account that Mr O didn't report the loss to the airline "*within 24 hours of discovery of the loss*".

First, in the call AWP asked whether Mr O had reported the loss to the airline and he said no. I think it would have been fair at that point for AWP to have told him that no report meant the claim would fail as at the time Mr O was still within 24 hours of discovering the loss and he could have made the report. AWP says if Mr O had logged the claim through its portal he wouldn't have been reminded about the need for the report. But, even if I accept that point, in the call Mr O goes on to ask AWP what documents it requires for the claim. AWP's representative says he needs to provide receipts (otherwise there's only part payment), photos of the items if he doesn't have receipts and booking invoice. As Mr O specifically asked AWP what documents it required I think it would have been fair for AWP to tell him he would need to provide a report of loss to the airline, especially when AWP's representative gives a list of other documents to provide.

Second, Mr O told AWP the only thing missing from his suitcase was a named designer brand toiletry bag which contained shaver, perfume, toothbrush and toothpaste. He said his toiletry bag was about 15 to 20 years old. I'm not persuaded that for an item that old, albeit of a designer brand, a policyholder's first reaction would be to contact the airline about the loss. So I'm not concerned that Mr O didn't immediately do so.

In these particular circumstances I think the fair and reasonable outcome is for AWP to reassess the claim in line with the remaining policy terms, without taking into account that Mr O didn't report the loss to the airline. As I've said AWP should reassess the claim it's not appropriate for me to say that interest should be added, as I don't know what decision AWP will make when it reconsiders the claim.

Our Investigator recommended AWP pay Mr O £150 for his distress and inconvenience due to its poor service, which AWP disputes. I've considered AWP's service. On 21 May Mr O told AWP in the call to make his claim that he couldn't access the portal on his mobile phone. That would have been frustrating for him but I've no evidence the portal itself was faulty. Anyway when AWP knew he couldn't access the portal it acted fairly in setting up the claim for him over the phone. I haven't seen evidence to support that Mr O had continuing problems in accessing the portal. AWP has now sent evidence which shows that following the claim being set up Mr O accessed AWP's portal five times from 21 to 27 May 2025.

AWP was wrong to initially say that when Mr O made the claim he was already over 24 hours from his discovery of the loss. But AWP did accept that was wrong and, for the reasons it's given above, it wouldn't have made a difference to it declining the claim. Finally, although I've said AWP's decline of the claim due to the lack of loss report to the airline was unfair, that's for very specific reasons. I don't think I can reasonably say AWP's service was so poor it should pay compensation to Mr O for his distress and inconvenience'.

Responses to my provisional decision

AWP accepted my provisional decision and said it would reassess the claim.

Mr O said he wanted to add that he wasn't able to log onto AWP's portal at all so he had to contact AWP by phone and each time he had to explain that he couldn't log onto the portal. He said that caused him a lot of stress which started to affect his mental health. Also AWP didn't return any of his calls as promised. He had to call them for updates and he took time

out of work to make the calls. He'd like £150 compensation for his distress and inconvenience and interest paid as the claim had been ongoing for some time.

Mr O then told us AWP had been in touch with a settlement offer and had reduced the value of the items by 50%. Our Investigator explained that if Mr O was unhappy with AWP's proposed settlement he would need to make a new complaint to AWP then to us on that separate matter.

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 Mr O's response to my provisional decision but I haven't changed my mind about what I consider to be a fair and reasonable outcome to this complaint. I'll explain why.

Mr O says he wasn't able to log onto AWP's portal at all. I know he couldn't access the portal when he first tried to make the claim, which I referred to in my provisional decision. In one of the calls between Mr O and AWP, that I've detailed below, he does tell AWP he wants to complain as the portal isn't user friendly. But, as I've said in my provisional decision, AWP sent us evidence which shows that following the claim being set up Mr O accessed AWP's portal five times from 21 to 27 May 2025, which is persuasive evidence. On that evidence I can't reasonably say Mr O had ongoing problems accessing the portal due to the portal being faulty.

Even if Mr O did have ongoing problems accessing AWP's portal I can see from AWP's internal notes that he was able to speak to it about his claim and he did so regularly. He called AWP to make the claim on 21 May 2025 and he then made the following calls to AWP:

22 May - he called to check it had the documents for his claim, which AWP confirmed.

23 May - he called for an update on his claim. AWP told him he should hear within three to four working days.

27 May - he called for an update on his claim. AWP told him he should hear within one to two working days.

28 May - he called for an update on his claim.

29 May - he called to complain about the delay in AWP deciding his claim and the portal not being user friendly. AWP sent him its claim decision the same day.

On 29 May AWP emailed Mr O to acknowledge his complaint and told him it had eight weeks to respond, which is correct under the regulator's rules. Mr O continued to call AWP during the eight weeks for an update on his complaint.

I understand Mr O was concerned and stressed about his claim. But AWP fairly tried to manage his expectations about its timescales for responding to his claim and complaint, which were reasonable. There's no basis for me to say AWP should pay Mr O compensation.

Where my decision is that an insurer should reassess a claim in line with the remaining policy terms, as in this case, it isn't appropriate for me to say interest should be added as generally I don't know what decision an insurer will make when it reconsiders the claim. Unusually, in this case AWP has very quickly reassessed the claim without waiting for my final decision and contacted Mr O with its proposed settlement. I don't think it would be fair for me to say AWP should pay interest just because it's acted very quickly to reassess the claim.

For the reasons I've given in my provisional findings and these findings, in these particular circumstances I think AWP unreasonably declined the claim because Mr O failed to report the loss/theft of his items to the airline within 24 hours of discovering the loss. The fair and reasonable outcome is for AWP to reassess the claim in line with the remaining policy terms, without taking into account that Mr O didn't report the loss to the airline, as AWP has now agreed.

Also for the reasons I've given in my provisional findings and these findings, AWP doesn't need to pay interest following the reassessment of the claim and it doesn't need to pay Mr O any compensation for his distress and inconvenience.

AWP's new proposed settlement – for information only

Mr O is concerned about AWP's new proposed settlement of his claim as it's reduced the value of the items he claimed for by 50%. Our Investigator correctly explained to Mr O that if he doesn't accept AWP's proposal he will need to make a separate complaint to it and ultimately to us on that separate matter.

For information only, I think it's fair for me to tell Mr O that as my decision is AWP must reassess his claim in line with the remaining policy terms and conditions, he may want to look at the policy terms to see what they say about how AWP will assess the value of items. He will see from the policy terms I set out in my provisional decision above that there are circumstances when AWP only needs to pay 50% of the value of the items. He may want to consider all the policy terms under the 'Baggage' section before he decides whether or not to accept AWP's new proposed settlement or make a separate complaint. In this decision I'm making no finding about whether or not AWP's new proposed settlement is reasonable.

If Mr O can't access the policy document on the portal he can contact AWP and it should be able to email the policy to him.

My final decision

I uphold this complaint and require AWP P&C S.A. to reassess Mr O's claim in line with the remaining policy terms and conditions, without taking into account that Mr O didn't report the loss to the airline, as it's now agreed.

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

Nicola Sisk
Ombudsman