

## **The complaint**

Mrs O, Miss O, Miss O and Mr O complain that AWP P&C S.A. declined their travel insurance claim. My references to AWP include its agents.

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

## **What happened**

Mr O, Mrs O and their two teenage children were insured under a single trip travel insurance policy. The insurer was AWP.

Mr O and his family missed their flight abroad. He says they left home in ample time for the journey to the airport in normal conditions but due to numerous traffic accidents causing very heavy traffic they arrived 10 minutes late to check in and missed the flight. Mr O had to buy new flight tickets for the family and a new transport transfer from the destination airport to the hotel.

AWP declined the claim. It said the traffic accident/s causing the delay didn't cause injury to Mr O or damage to his property as the policy definition of 'traffic accident' required, so the claim wasn't covered. Also, the policy only covered missed departure caused by local public transportation delay, which wasn't Mr O's situation.

After Mr O complained to AWP its final response letter said the traffic accident/s which caused Mr O's missed departure only affected other vehicles so his claim wasn't covered.

Mrs O, Miss O, Miss O and Mr O complained to us that AWP's decision was unfair. In summary Mr O said:

- Missed departure wasn't only due to public transport delays, AWP's final response letter accepted it could be due to a traffic accident but had unfairly interpreted what it meant by traffic accident.
- The policy didn't clearly say there was only cover if he was involved in the traffic accident. The Financial Conduct Authority (FCA) rules said policy terms needed to be clear fair and not misleading but this policy was unclear and misleading. If policy wording is ambiguous the ambiguity should be interpreted in favour of the consumer.
- AWP had marked his claim as closed on 20 July 2025, the day before his appeal to AWP was submitted, so it didn't review all the information he'd provided.
- He wants AWP to pay the claim for the additional transport costs he had to pay, about £3,300.

Our Investigator said AWP had reasonably declined the claim.

Mrs O, Miss O, Miss O and Mr O disagreed and wanted an Ombudsman's decision. In summary Mr O added that if the policy only covered missed departure for cruises, tours or due to public transport the policy didn't suit his needs as he was driving to the airport so the policy was mis-sold.

Mr O also sent us new evidence from National Highways which he said showed there were various traffic accidents and severe delays on the roads he and his family were travelling on to the airport.

### **What I provisionally decided – and why**

I made a provisional decision explaining why I was intending to uphold this complaint. I said:

'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 O 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.

Mr O believes that the policy may have been mis-sold. If he wishes to complain that the policy has been mis-sold he will need to first complain to the business that sold him the policy. If agreement couldn't be reached then he could make a separate complaint to us on that matter.

This decision is only about whether or not AWP fairly and reasonably declined the claim.

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

The policy document says:

#### *'Section 3 - Travel Delay*

*If your or a travelling companion's trip is delayed for one of the covered reasons listed below, we will reimburse you for the following expenses, less available refunds and appropriate excesses, up to the following maximum benefits for 'Travel delay' shown in the 'Cover summary'.*

#### *Delay*

*1. Your lost prepaid trip expenses and additional expenses you incur while and where you are delayed for meals, accommodation, communication and transportation, subject to a daily (24 hours) limit listed under Delay in your 'Cover Summary', as follows:*

- If you provide receipts, the 'With Receipts Limit' applies; or*
- If you do not provide receipts or did not incur additional costs, the 'Without Receipts Limit' applies.*

*The delay must be for at least the minimum delay period shown in the 'Cover Summary'.*

#### *Missed departure*

*1. If the delay causes you to miss the departure of your cruise or tour, necessary transportation expenses to either help you rejoin your cruise/tour or reach your destination.*

*2. If the delay causes you to miss the departure of your flight or train due to a local public transportation delay on your way to the departure airport or train station, necessary transportation expenses to either help you reach your destination or return home.*

*Covered reasons:*

*8. A traffic accident'.*

AWP's given three reasons why it declined the claim:

- The traffic accident/s which caused the delay didn't cause injury to Mr O or damage his property which the policy definition of 'traffic accident' required.
- The traffic accident/s which caused Mr O's missed departure only affected other vehicles which didn't meet the policy definition of 'traffic accident'.
- The policy only covered missed departure caused by local public transportation delays, which wasn't Mr O's situation.

I've considered whether AWP could fairly rely on those reasons to decline the claim.

In the definition section of the policy 'traffic accident' is defined as:

*'An unexpected and unintended traffic-related event, other than mechanical breakdown, that causes injury, property damage or both'.*

There's no requirement in the policy definition nor the travel delay and missed departure policy section that the injury or damage has to be to the policyholder or their property.

AWP's final response letter said the 'intent' of the policy is shown in a different section which sets out what information Mr O should send to make a claim - *'Detailed account of the circumstances causing you to miss your departure together with supporting evidence from the public transport provider or accident / breakdown authority attending the private vehicle you were travelling in'*. AWP says that wording 'indicates' that the policy only covers a delay where the policyholder's vehicle is directly involved in an accident.

But the wording is in a different part of the policy to the wording which sets out the covered reasons for travel delay and missed departure. The wording in the how to make a claim section also says *'if your claim results from any other circumstances, please provide independent evidence of these circumstances'*, as Mr O has done.

AWP will be aware of the FCA's requirement to provide policy terms which are 'fair, clear and not misleading'. Neither the Insurance Product Information Document nor the travel delay and missed departure policy section nor the policy definition of 'traffic accident' say there's only cover if the delay or missed departure was caused by a traffic accident which caused injury or damage to the policyholder or their property.

Mr O has provided reports from National Highways about the traffic accidents and road closures which caused his and his family's delay. They include a collision involving a motorcyclist and an HGV so I'm satisfied that the policy definition of 'traffic accident' - *'an*

*unexpected and unintended traffic-related event... that causes injury, property damage or both*' - was met.

AWP unreasonably relied on the reason that the traffic accident causing the delay or missed departure had to cause injury and/or damage to Mr O and/or his property for his claim to be covered.

AWP's final response letter didn't raise that missed departure had to be due to local public transportation delay on the way to the departure airport in Mr O's circumstances. But as it gave that reason earlier to decline the claim I'll consider the reason.

The policy defines 'Local public transportation' as:

*'Local, commuter or other urban transit system carriers (such as commuter rail, city bus, subway, ferry, taxi, for-hire driver or other such carriers) that transport you or a travelling companion less than 100 miles'.*

AWP intends to give unusually restrictive cover for missed departure which I can't see AWP has highlighted. This was a single trip policy, Mr O knew he was travelling to the airport by car and he could have easily got a policy that wasn't so restrictive in its missed departure cover. But, even if I thought the restriction didn't need to be highlighted for AWP to be able to fairly rely on it, I think Mr O and his family would have missed their flight due to the delays regardless of whether they'd travelled by public transport using a bus, taxi or for-hire driver or their own car. So I don't think AWP was fair and reasonable to decline the claim on the basis that Mr O and his family weren't travelling by local public transport when they were delayed causing them to miss the flight.

The travel delay and missed departure section of the policy includes cover for necessary transport expenses to help Mr O and his family reach their destination, and those are the costs he's claimed. He's provided receipts as proof of the costs he's claiming. I'm satisfied that the fair and reasonable outcome is for AWP to pay the claim subject to the policy limit for missed departure, less the applicable excess. AWP should add interest as I've detailed below.

Mr O and his family had an 'Economy' policy so the policy limit is £500 for each of them.

Mr O is concerned that AWP responded to his complaint after he made his written submissions on 21 July 2025. But AWP didn't send its final response to Mr O until 21 August 2025, so it would have received his submissions before it gave its final response to his complaint.

I don't generally award compensation for a consumer's time and stress due to complaining to an insurer and this Service but AWP's handling of this claim has been very unfair. It's given three different reasons to decline the claim, all unreasonable, which has been confusing and stressful for Mr O who dealt with the claim. I think it's reasonable for AWP to pay Mr O £100 compensation for his distress and inconvenience it caused'.

### **Responses to my provisional decision**

Mr O accepted my provisional decision. AWP said it had no comments.

### **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.

As Mr O has accepted my provisional decision and AWP has no comments on my provisional decision I've no reason to change my mind.

For the reasons I've given in my provisional findings and these findings I think AWP unreasonably declined the claim. I'm satisfied that the fair and reasonable outcome is for AWP to pay the claim subject to the policy limit for missed departure, less the applicable excess. AWP should add interest as I've detailed below.

AWP must also pay £100 compensation for Mr O's distress and inconvenience it caused due to its unfair handling of the claim.

### **My final decision**

I uphold this complaint and require AWP P&C S.A. to:

- pay the claim subject to the policy limit for missed departure, less the applicable excess. AWP P&C S.A. must add interest\* at 8% a year simple from the date of claim to the date of settlement, and
- pay Mr O £100 compensation for his distress and inconvenience caused by its unfair handling of the claim.

\*If AWP P&C S.A. considers that it's required by HM Revenue & Customs to take off income tax from that interest it should tell Mrs O, Miss O, Miss O and Mr O how much it's taken off. It should also give Mrs O, Miss O, Miss O and Mr O a certificate showing this if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O, Miss O, Miss O and Mr O to accept or reject my decision before 27 March 2026.

Nicola Sisk  
**Ombudsman**