

The complaint

Mr R, Mrs R and Ms R ('the complainants') are unhappy that AWP P&C SA turned down their travel insurance claim.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my 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.

Having done so, I agree with the conclusions reached by our investigator for these reasons:

- The policy covers cancellation claims in the event of the death of a relative. However, the policy definition of relative does not include nephew. I accept that the claim therefore isn't strictly covered under the policy terms.
- However, Mr R and Mrs R have explained the close relationship they had with their nephew. They saw him every week and Mr R was a father figure to his nephew. They say they considered him to be like a son to them (a son falls within the policy definition of a relative), and I note that even on the claim call Mr R referred to his nephew as 'our child'. Taking all of this into account, I agree with our investigator that AWP should accept the claim on a fair and reasonable basis.
- The complainants say that AWP misled them about the claim in a phone call, and led them to understand the claim would be covered.
- I've listened to this call. The adviser said that because there was a legal enquiry ongoing, they would be covered for that. But he didn't clarify that a claim would only be covered if one of them were called as a witness at court. As the adviser didn't give the complainants clear information, they obtained their nephew's death certificate and have explained how this caused a problem in the family.
- I also see that the complainants sent AWP emails in January and February 2023, but didn't receive a response until March 2023. I think this was poor.
- I require AWP to pay the complainants £250 to recognise the poor service they received.

My final decision

My final decision is that I uphold this complaint. I require AWP P&C SA to:

- Pay the claim in line with the remaining policy terms. Interest should be added at the rate of 8% simple per annum paid from a month after the claim was made to the date of settlement*.
- Pay £250 compensation**.

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

**AWP must pay the compensation within 28 days of the date on which we tell it that Mr R, Mrs R and Ms R accept my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R, Mrs R and Mr R to accept or reject my decision before 9 January 2024.

Chantelle Hurn-Ryan
Ombudsman