

The complaint

Mr and Mrs N are unhappy with the way in which their claim has been handled by AWP P&C SA after making a claim on their travel insurance policy ('the policy').

All reference to AWP includes its agents.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving the 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.

AWP has a regulatory obligation to handle insurance claims fairly and promptly. And it mustn't unreasonably decline a claim.

For the reasons set out below, I don't think AWP has acted fairly and reasonably in the way in which it's handled Mr and Mrs N's claim.

Nor do I think it's fairly and reasonably concluded that it couldn't consider the claim made by Mr and Mrs N on the basis that Mrs N was unable to establish that she'd tested positive for Covid-19 whilst abroad. This led to her and Mr N being unable to make a connecting flight whilst away and they had to remain in the country they first visited as part of their trip longer than originally planned.

- Mr and Mrs N submitted a claim for their out-of-pocket expenses incurred whilst abroad in or around July 2022. Despite being chased for updates by Mr and Mrs N, it wasn't until October 2022 that AWP notified Mr and Mrs N that it was unable to consider the claim further.
- AWP accepted in October 2022 that it could've provided Mr and Mrs N with better service and there had been unnecessary delays when assessing their claim. And in early 2023, it also accepted that there were unreasonable delays when reconsidering further information provided by Mr and Mrs N after they'd been told that AWP couldn't take their claim any further.
- I'm persuaded that Mr and Mrs N incurred avoidable distress and inconvenience by the delays incurred by AWP. They were put to the unnecessary inconvenience of having to chase for updates when not receiving responses to their emails and providing further evidence contesting the reason put forward by AWP to decline the claim. I'm persuaded this would've been very frustrating for Mr and Mrs N.
- Given the high value of the claim, I can understand why Mr and Mrs N would've also been upset that they'd been told by AWP that their claim couldn't be considered further on the basis that they were unable to provide evidence of a PCR test or a

registered lateral flow test establishing that Mrs N had tested positive for Covid-19 whilst away (a decision which for reasons I'll explain below, I'm satisfied is unfair).

- Mr N had spoken to a representative of AWP whilst abroad to say that Mrs N had taken three lateral flow tests, all of which were positive. And they'd taken videos and photos of her doing the tests. AWP's representative told Mr N that Mrs N didn't need to get a PCR test; a lateral flow test would be sufficient.
- There was no mention of Mrs N having to register the lateral flow test and Mr N wasn't asked whether this had been done before confirming that a positive lateral flow test would be sufficient. AWP's representative also confirmed that certain expenses would be covered such as extended hotel costs. Mr N asked for all this to be confirmed in writing which the representative agreed to do but didn't. Given that Mr N sought to clarify (and received confirmation) from AWP that a lateral flow would be sufficient to establish Mrs N had tested positive for Covid-19 before the missed flights, I think it would be particularly upsetting and frustrating for Mr and Mrs N to know that AWP has subsequently used the lack of a positive PCR test or registered lateral flow tests as the reason for not accepting the claim.
- The policy terms don't set out what type of test is required to establish a positive result for Covid-19. And, in any event, given the express assurances given to Mr N whilst abroad (which I think Mr and Mrs N fairly relied on), I'm satisfied AWP hasn't acted fairly and reasonably by not accepting the lateral flow tests taken by Mrs N as sufficient evidence that she'd tested positive for Covid-19. Given she'd tested positive for Covid-19, I accept that she and Mr N weren't able to take their connecting flight to another country as planned as part of their overall trip due to local government guidance in place at the time and had to remain in the country they'd first travelled to for longer than initially planned.
- I'm satisfied that £200 compensation fairly reflects the distress and inconvenience experienced by Mr and Mrs N in this case.

Putting things right

Within 28 days from the date on which our Service notifies AWP that Mr and Mrs N accept my final decision, I direct AWP to:

- reassess Mr and Mrs N's claim under the remaining terms of the policy, on the basis that the evidence of the lateral flow tests provided by Mr and Mrs N is sufficient to establish that Mrs N had received a positive diagnosis of Covid-19 whilst away.
- pay compensation to Mr and Mrs N in the sum of £200 to reflect the unnecessary distress and inconvenience they've experienced as a result of AWP's failing in this case including declining the claim for the reasons it did, not promptly progressing their claim and failing to promptly consider the further information provided by Mr and Mrs N.

My final decision

I uphold this complaint and direct AWP P&C SA to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs N to accept or reject my decision before 22 September 2023.

David Curtis-Johnson
Ombudsman