

The complaint

Mr B complains that AWP P&C SA unfairly declined his claim for delayed baggage when he claimed on his travel insurance policy.

What happened

Mr B was flying back to the United Kingdom (UK). When he landed in the UK he was informed his baggage hadn't been on his flight and would be sent on the next available flight. Mr B said he had an important meeting and needed items which were in his bag, such as his toiletry kit. He therefore checked his policy and thought they would be covered and purchased replacement items.

Mr B kept the receipts for the items purchased and claimed on his policy with AWP. AWP reviewed the claim and declined it. It said the delayed baggage section only applied to outbound trips and as Mr B was on an inbound trip to the UK then his claim wasn't covered. Mr B didn't agree and complained, he said his interpretation of the wording was that the trip "destination" only applied to claims without receipts, and because he had receipts, he thought his claim should be covered.

AWP reviewed the complaint and didn't uphold it. It maintained its position that the delayed baggage section only applied to outbound trips and therefore Mr B's claim wasn't covered. Unhappy with AWP's decision, Mr B referred his complaint here.

Our investigator reviewed the complaint and didn't think AWP had done anything wrong. She found the policy terms referred to the "destination" trip only and therefore agreed Mr B's claim wasn't covered by the policy. Mr B didn't agree, he said "destination" isn't defined in the policy and therefore thought the terms could be interpreted to mean the inbound part of his trip.

As Mr B didn't agree the complaint has come to me to decide.

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.

The terms and conditions of Mr B's policy say:

"If your baggage is delayed by a travel supplier during your trip, we will reimburse you for expenses you incur for the essential items you need until your baggage arrives, up to the maximum benefit for 'Baggage delay' shown in the 'Benefits summary'."

The terms go onto say:

“2. If you do not provide receipts, the maximum amount payable is the ‘No receipts’ limit shown in the ‘Benefits summary’. Only available for your outbound travel (not your return travel).”

I’ve also looked at the “Benefits summary” which says under the benefit section:

"Reimbursement for essential items in case of a delay in baggage arrival at the trip destination"

I’ve considered this term and whether AWP has applied it fairly and I’m satisfied it has. I say this because when the term is read in full, along with the “Benefits summary” I’m satisfied it’s clear the benefit only applies to the trip destination.

I’ve also considered that Mr B has said that “destination” isn’t defined in the policy and therefore could mean his inbound trip. Having done so I don’t agree that means AWP has acted unfairly in this case. I say this after considering the use of the word “destination” and looking at its ordinary everyday meaning. Most definitions of the word “destination” tend to refer to it as the place someone or something is being sent. And when interpreting the use of the word in the context it’s used in the policy, I’m satisfied that would mean the location Mr B travelled to on his outbound journey. It therefore follows that I’m not persuaded AWP has acted unfairly in declining Mr B’s claim.

My final decision

For the reasons explained above, my final decision is that I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr B to accept or reject my decision before 5 October 2023.

Alex Newman
Ombudsman