

## The complaint

Mr M complains that AWP P&C SA has turned down a theft claim he made on a travel insurance policy.

## What happened

Mr M is insured under a group travel insurance policy as a benefit of his bank account.

In September 2022, Mr M travelled to a UK city. Unfortunately, while he was out for dinner with a friend, the car he was driving was broken into and a number of items were stolen. Mr M made a claim on the travel insurance policy. It appears that he told AWP that he'd travelled for both leisure and business purposes.

AWP turned down Mr M's claim. It said that benefits were only available under the policy if a trip was undertaken for leisure purposes only. Business trips were specifically excluded from cover. As Mr M had told AWP that the trip had been partly for business purposes, it concluded that his claim wasn't covered.

Mr M was unhappy with AWP's decision and he asked us to look into his complaint. He told us that the primary purpose of the trip was to visit family and friends. He said that a family member, who is also part of his business, lives in the city he visited. He said that he and the family member are always talking about the business and that was why he had referred to a business element to his trip. But the only discernible business element to the trip was to discuss how to prevent his business from going into liquidation.

Our investigator thought Mr M's complaint should be upheld. She didn't think AWP had provided enough evidence to show that Mr M's trip had been for business purposes and she accepted that the trip had primarily been undertaken for leisure reasons. So she recommended that AWP should accept and settle Mr M's claim.

I issued a provisional decision on 27 July 2023, which explained the reasons why I thought it had been fair for AWP to turn down Mr M's claim. I said:

*'The relevant rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the terms of Mr M's policy and the circumstances of his claim, to decide whether AWP treated him fairly.'*

*I've first considered the policy terms and conditions, as these form the basis of the group contract between Mr M's bank and AWP. The policy does provide cover if a policy beneficiary's baggage is lost or stolen during a trip. AWP has defined what it means by a 'trip' and so I've set out the relevant part of the definition below:*

*'Your travel originally scheduled to begin from your primary residence on your departure date and end on your return date to, within and/or from a location:*

- at least 100 kilometres away from your primary residence; or*

- abroad; or
- outside your city/town of residence, provided that your travel includes an overnight stay.

**The benefits are provided during leisure trips only and are not valid during business trips.** Business trips are any travel or stay undertaken for business/work purposes, including but not limited to, training, meetings, internships or voluntary work.' (My emphasis added.)

AWP states that Mr M's trip isn't covered because it was partly for business purposes. So I've considered whether I think this was a fair conclusion for AWP to reach.

It's a general principle of insurance that it's for a policyholder to show they have a valid claim on an insurance policy. That means it's Mr M's responsibility to show that he was on a trip, as defined by the contract terms. It's unfortunate that in this case, I haven't been provided with a copy of Mr M's claim form, despite a request to AWP, which shows exactly what Mr M told AWP about the trip when he made the claim.

However, I do have a copy of the original complaint that Mr M made to AWP when it decided to turn down his claim. This includes the following:

*'I made a claim on my policy due to a theft which occurred whilst I was on a mixed purpose trip...*

*I made it clear at the very start of the claims process **that the purpose of my trip was for both pleasure and business.**' (My emphasis added).*

*It seems to me then that the information Mr M appears to have given AWP about the reason for his trip indicated that this was a dual-purpose trip and wasn't a trip for leisure purposes only. I don't think it was unfair or unreasonable for AWP to rely on the information Mr M appears to have given it at the outset to conclude that his claim was at least partly for business reasons.*

*I've carefully considered what Mr M has since told us about the primary purpose of his trip being for leisure reasons and that he had no formal itinerary, or planned client meetings. But it isn't clear to me that AWP has had an opportunity to consider any new comments or evidence from Mr M on these points. It's therefore open to Mr M to send any new evidence or comments he wishes to make to AWP for its further consideration.*

*Based on what I've seen so far, whilst I sympathise with Mr M's position, as I appreciate he has been the victim of a theft, I don't think AWP has reached an unreasonable conclusion. I think it was reasonably entitled to rely on the evidence it had available when it assessed the claim to decide that Mr M's trip was in part for business purposes and therefore, wasn't for leisure purposes only. On that basis, I don't currently think I could reasonably find that AWP has treated Mr M unfairly. And it follows that I don't intend to direct AWP to settle Mr M's claim.'*

I asked both parties to send me any further evidence or comments they wanted me to consider.

Mr M didn't accept my provisional findings and I've summarised his response. He reiterated that at the time of the theft, he'd been out for personal and social reasons. He questioned why he'd have rented a vehicle to travel if the trip had been for business purposes. He said he hadn't claimed the cost back as a business expense. Although he'd stated that the trip had been for mixed-purposes, he had travelled for social reasons. He stated that he didn't understand why the claim was being turned down, despite all of the evidence he had

provided. He said he felt my provisional decision was difficult to reconcile with the situation.

### **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, whilst I'm sorry to disappoint Mr M, I still think it was fair for AWP to turn down his claim and I'll explain why.

As I explained in my provisional decision, the policy terms clearly set out that travel insurance cover is provided for leisure trips only. Travel for business purposes isn't something AWP has chosen to insure under the terms of this particular contract.

Whilst I appreciate Mr M has provided us with further information about the nature and purpose of his trip, it's still the case that he told AWP at the outset that his trip had been for both business *and* leisure purposes. And so I think it was reasonable for AWP to rely on that information to conclude that Mr M had travelled for at least partly business reasons. As such, I don't think it was unfair for AWP to decide that Mr M's claim wasn't covered, based on the information it had available at the time it assessed the claim.

As I set out in my provisional findings, it isn't clear to me that AWP has had a chance to consider Mr M's further comments about the purpose of his trip, or what happened at the time of the claim. It remains open to Mr M to send any additional evidence or comments to AWP for its consideration should he wish to do so.

Overall though, whilst I sympathise with Mr M's position, I still don't think AWP treated him unfairly when it assessed his claim, based on the evidence available to it at that time. Accordingly, I'm not directing AWP to settle Mr M's claim.

### **My final decision**

For the reasons I've given above and in my provisional decision, 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 M to accept or reject my decision before 4 October 2023.

Lisa Barham  
**Ombudsman**