

The complaint

Mr M is unhappy Great Lakes Insurance SE (Great Lakes) declined a claim he made under his travel insurance policy.

What happened

Mr M returned from holiday and realised he'd forgotten his trainers and had left them behind in his hotel room. He contacted the hotel who confirmed they'd found them.

Mr M made a claim to Great Lakes, his travel insurer, and asked them to reimburse the £125 he paid for the shoes.

Great Lakes didn't accept Mr M's claim. They said he knew where his trainers were, so he hadn't suffered a loss. They also referred to an exclusion in the policy which said the loss wouldn't be covered if the items were recovered.

Mr M argues he knows where the shoes are, but he says they were lost until the hotel found them. As Mr M remained unhappy, he approached this service.

One of our investigators looked into Mr M's complaint but she didn't uphold it. She said Mr M's shoes aren't lost as they have been found, and the policy terms exclude claims for losses where the lost items are recovered.

Mr M didn't agree and asked for a final decision from an ombudsman.

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, and whilst I appreciate it'll come as a disappointment to Mr M, I've reached the same outcome as our investigator.

Mr M's travel policy with Great Lakes provides cover for the loss or theft of personal possessions (subject to terms and conditions and policy limits).

I accept that Mr M doesn't currently have the shoes in his possession, as they are still at the hotel where he left them. But Mr M knows where the shoes are, so the whereabouts of them isn't unknown. The policy terms also say:

"What is not covered

...

4. Any loss or theft of Your Personal Possessions which are subsequently recovered."

Mr M's shoes don't remain unrecovered, or in an unknown location. And whilst the shoes aren't in Mr M's possession at this time, they have been recovered by the hotel and he knows where they are, so they aren't lost. Therefore, I don't think Great Lakes has acted unfairly by declining Mr M's claim.

Mr M argues that because he went to the effort of confirming they were with the hotel, he thinks it's unfair to decline the claim on the basis the location is known. But the fact remains that the policy covers a loss, but Mr M hasn't suffered a loss of the shoes as he knows where they are, and he could likely arrange with the hotel to have them returned.

Mr M also says that his items were lost until they were found, and if his items were stolen, or lost without him knowing where they were, then he'd be able to claim. This may be the case. But Mr M's items weren't stolen, or unrecovered, they were left behind and he knows where they are.

With this in mind, I don't think Great Lakes has acted unfairly by declining Mr M's claim.

Mr M has also said it took time for Great Lakes to issue a final response and they sent this on the last day which caused a delay of two months. Whilst I recognise Mr M may have wanted an answer sooner, under the Financial Conduct Authority complaint handling rules, Great Lakes has eight weeks in which to issue their final response.

In addition, Mr M has also said he'd like Great Lakes to detail how his situation could differ which would then lead to a claim being paid. However, my role here is to consider Mr M's individual complaint about his specific claim being declined by Great Lakes. If Mr M wants further information on his policy cover, he'd need to approach Great Lakes directly for this.

My final decision

It's my final decision 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 September 2023.

Callum Milne
Ombudsman