

The complaint

Mr L is unhappy that Great Lakes Insurance SE declined a claim he made under his travel insurance policy.

What happened

Mr L purchased a single trip travel insurance policy on 12 June 2022. The policy covered various pre-departure and post-departure risks, for a trip abroad Mr L was due to take between 6 August 2022 and 14 August 2022.

Mr L has explained that as part of the trip he had booked through a holiday tour operator he was supposed to be collected by a coach, from an agreed departure point. But he said the coach never collected him. So, he didn't go on the trip as planned.

It's my understanding that Mr L attempted to obtain a refund from the holiday tour company but was unsuccessful. So, Mr L contacted Great Lakes to make a claim under his travel insurance policy.

Great Lakes reviewed Mr L's claim and declined it. Great Lakes said that Mr L's policy only provided cover for the cancellation or curtailment of a trip in certain, listed circumstances. And it said that the tour operator's failure to pick up Mr L at his departure point wasn't one of those listed reasons. So, it said it couldn't settle Mr L's claim.

Mr L was dissatisfied with this decision, and so raised a complaint about the matter. Great Lakes later responded to this complaint and maintained its position.

As Mr L remained dissatisfied, he referred his complaint to this service for an independent review.

Our investigator reviewed Mr L's complaint and didn't think it should be upheld. They said that Great Lakes had acted fairly in declining Mr L's claim, because the policy terms and conditions didn't provide cover for the situation Mr L found himself in. So, our investigator didn't recommend that Great Lakes do anything differently.

Mr L didn't agree. He considered that the tour company weren't refunding him his costs, and the insurer was acted unfairly in not settling his claim.

As Mr L didn't agree, this complaint has been referred 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.

Having done so, I've decided not to uphold this complaint.

I appreciate this will be a disappointment to Mr L. It's clear he feels strongly about the matter. But I'd like to reassure the parties that I've considered all information provided to this service. However, when explaining my decision, I've only referred to information and evidence relevant to explain my decision. This isn't intended as a discourtesy but reflects the informal nature of this service.

It's also important to note that I'm aware Mr L is dissatisfied with the firm he booked his holiday through. But this service is only looking at whether Mr L's insurer has acted fairly or not. It isn't within this service's remit to consider the actions of the tour operator he booked the holiday with. So, I haven't commented on anything in relation to that.

When considering complaints such as this, I need to consider the relevant law, rules and industry guidelines. The relevant rules, set up by the Financial Conduct Authority, say that an insurer must not unreasonably decline a claim. So, I've thought about whether Great Lakes acted in line with this requirement when it declined to settle Mr L's claim.

I've also reviewed Mr L's policy documentation, to see what cover the policy provided. I can see that the policy does provide cover for cancellation of a trip before it's begun, and the need curtail a trip after it's beginning. But, as is usual with policies of this nature, it doesn't cover every circumstance where a trip might be cancelled or curtailed. Instead, cover is only provided if the reason for cancelling or curtailing the trip is listed as something covered by the policy. If the reason for the trip not going ahead as planned isn't listed, then the situation isn't covered, and the policy doesn't respond.

Given this, I've looked to see whether the reason Mr L's trip didn't go ahead is something listed under the policy Mr L has. Having reviewed the cancellation and curtailment sections of Mr L's policy I'm aware that the need to cancel or curtail a trip because of issues such as the unforeseen illness of the policyholder, jury service or redundancy are covered.

But I'm satisfied there isn't a reason listed that is relevant to Mr L's circumstances. Mr L has explained he couldn't take his trip, because the tour operator didn't pick him up from the coach station it should have done. As this isn't something listed as covered, I'm satisfied Great Lakes acted fairly in declining the claim.

In addition to this, I'm aware that the policy explains that for both cancellation and curtailment section, the following is not covered:

"failure by the provider of any part of the booked trip to supply the service or transport (whether as a result of error, insolvency, bankruptcy, liquidation, omission, default or otherwise), unless the event is specifically covered by this policy. You should direct any claim in this case against the provider instead."

There isn't any event specifically covered under the cancellation and curtailment sections that provide cover for the failure to supply Mr L's transport. And, looking at the remainder of Mr L's policy, I'm aware there isn't another applicable section that provides cover either. So, I'm satisfied Great Lakes acted fairly, and in line with the terms of the policy Mr L purchased, when declining the claim.

My final decision

Given the above, my final decision is that I don't uphold this complaint. So, I don't require Great Lakes Insurance SE to do anything differently.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or

reject my decision before 15 September 2023.

Rachel Woods
Ombudsman