

The complaint

Ms O is unhappy that Great Lakes Insurance SE declined a claim she made under her train ticket cancellation insurance policy.

What happened

Ms O bought a train ticket cancellation insurance policy on 20 August 2023. The policy provided cover in certain circumstances for one day – 23 August 2023 – when Ms O was due to take the train, within the UK, on a return trip.

Ms O has explained that her trip didn't go to plan, and she was at a loss of £100. So, she contacted Great Lakes, to make a claim under her insurance policy.

In her claim form, Ms O said that her outbound journey hadn't happened as it should have, because the train was delayed preparing at the station. Ms O said she was refused another ticket – so was unable to travel as planned. And this meant the inbound ticket booked for later that day was also unusable.

Ms O said that in addition to this, she received an alert for the inbound journey, noting disruption to it. This train ended up stopping short of the full return journey. So, Ms O said this also rendered the return journey unusable.

Great Lakes asked Ms O for more information on the journeys. Ms O responded and provided emails saying that she needed to contact the actual train operator, who would provide her with that information. Nothing else in respect of the reasons for the disruptions was provided to Great Lakes, including anything from the train operator.

Great Lakes declined Ms O's claim. It said Ms O's policy provided cover for train ticket cancellation, as well as stranded traveller cover, in certain, listed, circumstances. Great Lakes said the situation Ms O found herself in wasn't one of those listed circumstances. And so, there was no cover under the policy for the situation being claimed for. Therefore, no settlement would be offered.

Great Lakes also said Ms O's outbound ticket would have allowed her to get on the next available train to her destination. And if she was told otherwise, she should raise these concerns with the relevant train company. And Great Lakes noted that the inbound train journey had been refunded to Ms O in full.

Ms O remained unhappy with Great Lakes' position, so she raised a complaint with it. Great Lakes responded and maintained its position on the matter. As Ms O remained unhappy, she referred her complaint to this service for an independent review.

Our investigator considered this complaint and didn't think it should be upheld. They said that Great Lakes had acted fairly and reasonably, and in line with the terms of the policy Ms O had purchased.

Ms O didn't agree. And said she felt the disruption alert sent to her, about her inbound train journey, amounted to adverse weather conditions or mechanical failure, as this was what the alert was warning of. Ms O also referred to 'schedule 8' which she said automatically makes train operators financially responsible for issues such as delays. Ms O said she felt her situation fell under that schedule.

Because Ms O disagreed, 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 understand this will be a disappointment to Ms O. But I'd like to reassure the parties that I've considered all the information provided to me, when coming to my decision. However, when explaining my decision, I've only referred to that which is necessary to explain my reasoning. This isn't intended as a discourtesy but reflects the informal nature of this service.

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 deal with a claim promptly and fairly, and not unreasonably decline it. So, I've thought about whether Great Lakes acted in line with these requirements when it declined to settle Ms O's claim.

I've also reviewed Ms O's insurance policy, to see what cover it provided. On doing so, I can see there are two sections of cover, which may be relevant here. One is called "*Section 1: Train ticket cancellation*" and the other "*Section 2: Stranded traveller*." So, I've considered these sections, and whether Great Lakes acted fairly or not, in respect of these.

In terms of "*Section 1: Train ticket cancellation*," I can see this provides a refund of the cost of travel documents and official ticket fees, if the policyholder is unable to take the insured journey, due to one of the reasons listed in the section as covered.

The reasons include accidental bodily injury, illness, being summoned for jury service or redundancy. As is usual with insurance policies of this nature, if the reason for the cancellation isn't listed, then it isn't covered. Based on the information provided to me, Ms O's circumstances don't fall into any of those listed reasons. Instead, Ms O has explained the reason for the disruption of her outbound trip was the train preparing to leave the station.

I can also see, that under the "*What is not covered*" part of this section, it's explained that if an insured journey is "*cancelled, abandoned, delayed or re-routed by a train operating company*" then it isn't covered under this section.

Given the above, I'm satisfied Great Lakes acted fairly in declining Ms O claim under the cancellation section of the policy – it doesn't cover the situation as presented. So, I'm not requiring it to do anything more here.

In terms of "*Section 2: Stranded Traveller*," I'm aware this provides cover if a policyholder fails to get to their departure point in time – because of reasons listed in that section of the policy. It also provides cover for missed connections, or overnight stays in certain listed circumstances.

I've thought about whether any cover in this section applies to Ms O's circumstances. And based on the evidence provided to me, it doesn't. Ms O didn't fail to get to her departure point in time, didn't miss connections, or have an overnight stay because of failure to get to her final destination. So, I'm satisfied Great Lakes also acted fairly when declining the claim. There was no cover for it, based on the information supplied.

Ms O has said she considers the alert was sent about her inbound train journey constituted adverse weather conditions or mechanical failure, as it was warning of potential disruption due to these things. And this meant her claim is covered under the policy.

But I don't agree. As above, Ms O needed to have failed to get her departure point or missed a connection, due to these reasons. And I haven't seen any evidence that Ms O failed to get to her departure point in time, and there were no missed connections.

I also haven't seen any evidence to show the reason for the disruption of the inbound train journey was due to adverse weather or mechanical issues. The information provided just notes the train was disrupted and didn't reach its destination. It doesn't say why. Great Lakes did ask for further information in this respect, and it didn't receive any. So, I'm satisfied it acted fairly in its claim's decision. If Ms O does receive further information from the train operator, she may wish to provide that to Great Lakes to consider.

Ms O has referred to something called 'schedule eight,' and pointed to this meaning there was financial responsibility that lies with rail operators. It's important to point out that schedule eight isn't part of the insurance policy. And my role is limited to considering whether the insurer has acted reasonably, in line with the policy. So, it isn't for me to comment or make any findings in relation to this. So, it doesn't make a difference to the outcome of this complaint.

My final decision

Given the above, I don't uphold this complaint. So, I don't require Great Lakes Insurance SE to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms O to accept or reject my decision before 20 November 2023.

Rachel Woods
Ombudsman