

The complaint

Mrs Z and Miss Z are unhappy because Great Lakes Insurance SE (Great Lakes) declined their travel insurance claim.

Any reference to Great Lakes includes all its agents.

What happened

Mrs Z and Miss Z took out a single trip travel insurance policy, which was underwritten by Great Lakes. The start date of the policy was 9 February 2020 and ended on 17 February 2020 and was taken out to cover their trip for the same dates.

They booked their flights with the same provider which also included connecting flights. On 9 February 2020, Mrs Z and Miss Z departed but the flight was delayed by 40 minutes, so they arrived late to their connecting destination. Because of the delay, they missed their connecting flight. Mrs Z and Miss Z had to stay overnight at the connecting destination, and they incurred additional costs which they hadn't anticipated and also had pre-booked, unused transport costs.

Upon their return to the UK, Mrs Z and Miss Z submitted a claim to Great Lakes for the additional costs they incurred. Great Lakes declined the claim because it said Mrs Z and Miss Z hadn't left enough time to catch the connecting flight. It said 60 minutes wasn't sufficient time for ensuring they would make the connecting flight.

Unhappy with Great Lakes' response, Mrs Z and Miss Z brought their complaint to this service. They said they saw this itinerary when they'd originally tried to book the same flights through a travel website. This said that 60 minutes was enough time between the two flights so when they booked directly with the flight provider, they'd also allowed the same time between the two flights. Mrs Z and Miss Z said they missed their connecting flight because the first flight was delayed not because they hadn't left enough time for the connection.

Our investigator looked into the complaint. She upheld it. She said she thought Great Lakes had acted unreasonably in declining Mrs Z and Miss Z's claim. She explained that if Great Lakes required Mrs Z and Miss Z to leave a specific amount of time to mitigate the risk of a missed departure, it would be fair for this to be set out clearly in their policy terms and conditions. She couldn't see that it was set out clearly and thought Mrs Z and Miss Z had a reasonable expectation to meet the scheduled check-in time of their connecting flight by allowing themselves the 60 minutes to do so.

Great Lakes disagreed with the investigator. It asked for the complaint to be referred to an ombudsman, so it's been passed to me.

Great Lakes have said they don't agree that 60 minutes was sufficient time to meet the connecting flight.

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 insurance industry regulator, the Financial Conduct Authority ('FCA'), has set out rules and guidance for insurers in the 'Insurance: Conduct of Business Sourcebook' ('ICOBS').

ICOBS says that insurers should act honestly, fairly and professionally in accordance with the best interests of their customers, and that they should handle claims promptly and fairly and shouldn't unreasonably reject a claim.

I've started by looking at the terms and conditions of Mrs Z and Miss Z's travel policy and, specifically, "Section 11 Missed Departure" on page 57. This says:

"This section of the Policy sets out the cover We provide to each Insured Person in total per Insured Journey, up to the sum insured shown in the Table of Benefits, in the event that You arrive too late (as shown on Your ticket) to board Your pre-booked scheduled Public Transport at Your last departure point on Your outward journey or Your last departure point on Your return journey as a result of:

1. Scheduled Public Transport services failing to get You to Your last departure point due to Strike or Industrial Action, adverse weather conditions (but not those defined as a Catastrophe), mechanical failure or Your direct involvement in an accident; [...]

"What is covered

1. Your reasonable and necessary additional travel and accommodation expenses (room only) of a similar standard to the original booking, to allow You to reach Your trip destination or catch up on Your scheduled itinerary (for missed departure on Your outward journey) or to return Home (for missed departure from Your last departure point on Your homeward journey)."

What is not covered

[...]

3. Any claim as a result of Your failure to allow sufficient time for the Public Transport to arrive on schedule and deliver You to Your departure point by the check-in time shown on Your travel itinerary."

And on page 58, it says:

"Additional conditions applying to this section

1. You must allow sufficient time to reach any airport, station, port or terminus with reasonable expectation of meeting the scheduled check-in time."

Mrs Z and Miss Z's flight from the UK was delayed by 40 minutes and as a result of it arriving late to their connecting destination, they missed the connecting flight.

Great Lakes say Mrs Z and Miss Z only allowed 60 minutes between the arrival and departure of their flights which isn't a sufficient amount of time. It said they should have allowed at least two hours for this. This was the reason for declining the claim. There's no dispute that the flight leaving the UK was delayed by 40 minutes.

I've considered whether it's reasonable for Great Lakes to rely on the above policy exclusion to decline the claim and whether I think it's fair and reasonable in the circumstances of this complaint.

The policy terms and conditions require Mrs Z and Miss Z to have allowed “*sufficient time*” to make their connection. There is no definition in the policy of “*sufficient time*”. In order for Great Lakes to rely on this exclusion, it would be reasonable for it to clearly set out what “*sufficient time*” is defined as.

I think the point here is that had Mrs Z and Miss Z’s flight not been delayed from the UK, the 60 minutes to make their connection would have been sufficient. They reached their starting airport on time. And they therefore had a reasonable expectation to meet the scheduled check-in time at their connecting destination. It wasn’t within their control that there was a 40-minute delayed departure. The policy provides cover for missed departure for the reasons Mrs Z and Miss Z are claiming. But the policy doesn’t define what “*sufficient time*” ought to be allowed and it’s not clear on the expectation of this. There’s also nothing in the terms and conditions of the policy which says Mrs Z and Miss Z would be required to allow for any additional time in the case of a missed connection.

I can see that Great Lakes refer to a travel claims website about minimum connection times. This says the minimum connection times for Mrs Z and Miss Z’s connecting airport was 60 minutes. It also suggests 60 minutes where the connecting flight is with the same flight provider and where there is no change in terminal. Mrs Z and Miss Z did in fact allow the 60 minutes as a minimum which is alignment with their understanding and also what this travel claims website recommends.

Mrs Z has explained they were going to book the flights through a travel website which offered a guarantee that the connecting flight would be met if 60 minutes was allowed in between the arrival and departure of the flights. While Mrs Z didn’t book their flights with this website but booked directly with the flight provider, she had no reason to believe 60 minutes wouldn’t give them enough time to make the connecting flight. I think this is understandable and it’s reasonable to see why she allowed 60 minutes when she then booked her flights directly. Mrs Z and Miss Z said when booking their flights and the time allowed for connection, they also took into account that there was no change in the airline, and they didn’t need to move to a different terminal either. They also had their boarding passes printed and only had hand luggage.

Based on the circumstances of this complaint, I’m not persuaded that Great Lakes has declined Mrs Z and Miss Z’s claim fairly and reasonably. It’s reasonable to expect that if Great Lakes required them to allow a certain amount of time between the flights to make the connection then it would be fair to set this out clearly in the policy terms and conditions.

I’ve considered the main reason for the claim. That is the flight departing from the UK was delayed for factors outside of Mrs Z and Miss Z’s control. They arrived at the airport in the UK in time for check-in. The policy provides cover for such an event. Mrs Z and Miss Z have also shown that when they made their flight booking, they gave thought to the connection time and took this into account when they allowed 60 minutes. The travel claims website also suggested allowing 60 minutes, as did the travel website they were originally going to book with.

I’ve also considered Great Lakes comments that the actual flight provider that Mrs Z booked their flights with recommends a minimum connection time of 150 minutes. Having done so, I can see this is generic advice that applies to all of their flights and while I accept the advice is there, it doesn’t go on to provide any specific recommendation for the connecting airport Mrs Z and Miss Z. Also, as I’ve mentioned above, Mrs Z and Miss Z provided their reasons why they believed 60 minutes would be a sufficient amount of time for them to make the connection and I think that’s plausible taking into consideration all the other information available.

Overall, therefore, I don't think Great Lakes has declined the claim fairly or reasonably in the circumstances of this complaint. The policy doesn't set out clearly the definition of "*sufficient time*" and in the absence of that, having taken account of everything, I think Mrs Z and Miss Z have shown they allowed 60 minutes to make the connecting flight and the reasons they've for doing so seem entirely reasonable. Ultimately, they missed their connecting flight because their first flight was delayed from the UK and not because they didn't allow sufficient time to make the connecting flight.

I therefore recommend that Great Lakes now reconsider the claim subject to the remaining terms and conditions of the policy.

Putting things right

Great Lakes should now reconsider Mrs Z and Miss Z's claim under the remaining terms and conditions of their policy.

My final decision

For the reasons given above, I uphold Mrs Z and Miss Z's complaint against Great Lakes Insurance SE.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs Z and Miss Z to accept or reject my decision before 18 May 2022.

Nimisha Radia
Ombudsman