

## The complaint

Miss R and Mr P complain that Great Lakes Insurance SE (“Great Lakes”) declined a claim they made under their travel insurance policy.

## What happened

Miss R and Mr P had an annual travel insurance policy which started on 18 June 2022 and ended on 17 June 2023. The underwriter of the policy is Great Lakes.

Unfortunately Miss R and Mr P were the victims of theft while they were abroad. A number of personal items were stolen from the locked boot of their car whilst it was parked in a car park. The items taken included sunglasses, binoculars, a bracelet, and an amount of cash, amongst other things.

Miss R and Mr P reported the theft to the police and sent all the information to Great Lakes; including the police report, a schedule of items taken, and an itemised list of proof of ownership for the stolen items.

Miss R and Mr P say despite doing all they were supposed to the claim wasn’t dealt with in a professional, timely or appropriate manner. Miss R and Mr P say initially they were asked for the same documentation repeatedly or given inaccurate details about the claim.

Mr R and Mr P submitted the claim at the end of June 2022 and were not told until October 2022 that the claim had been declined. One of the reasons the claim was declined was because Miss R and Mr P hadn’t reported the matter to police within the timescales set out in the terms of the policy. The claim was also declined because the items were left ‘unattended’ but Miss R and Mr P dispute this.

Miss R and Mr P say they have suffered a substantial loss because Great Lakes haven’t paid out under the policy as it should have. They believe under the terms of the policy they should have received approximately £1800 for the stolen personal items together with EUR 400 for the stolen money. But they didn’t receive this and so were unable to replace the items or cash.

Miss R and Mr P complained to Great Lakes. They want it to acknowledge the service was not up to the standard they expected, and for their claim to be paid.

Great Lakes referred Miss R and Mr P to the terms of the policy. It said since the theft wasn’t reported to police within 24 hours of discovery they hadn’t met the relevant conditions. Great Lakes also said the items had been left in their vehicle which was unattended with no evidence of forced or violent means. And so the claim was declined.

Miss R and Mr P remained unhappy with the response from Great Lakes and so they referred their complaint to this service. Our investigator looked into things for them. She said she thought the claim was declined fairly since the car was unattended and there’s insufficient evidence to show there was force and violence as per the terms of the policy. But the investigator said there were delays and lack of updates from Great Lakes regarding the

claim. And so she recommended Great Lakes pay Miss R and Mr P £100 to reflect the impact of those delays.

Miss R and Mr P accepted the investigator's view but Great Lakes didn't reply. When it did reply it accepted the investigator's outcome but Miss R and Mr P asked for an ombudsman to review the claim. And so the complaint has come 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.

It's clear that Miss R and Mr P have strong feels about this matter. And they have provided detailed submissions to support their complaint, which I have read and considered. In deciding this complaint I've focused on what I consider to be the key issues. I haven't commented on every issue or point made. This isn't intended as a discourtesy to Miss R and Mr P, rather it reflects the informal nature of our service, its remit, and my role in it.

The relevant industry rules say an insurer should handle claims promptly and fairly, and it shouldn't unreasonably reject a claim. So I've thought about whether Great Lakes acted in line with this together with the terms of the policy.

#### *The relevant terms and conditions of the policy*

Section 6a headed 'Personal Baggage' says, "*We will pay up to the amount shown on the table of benefits if your personal baggage is damaged, stolen, destroyed, or lost during the course of a trip.*"

The policy lists some special conditions relating to claims made under the above clause for example the theft must be reported to the local police within 24 hours of the discovery. 'Unattended' is defined in the policy as "*when you cannot see and/or are not close enough to your property, or vehicle, to prevent unauthorised interference with, or theft of, your property or vehicle.*"

Miss R and Mr P left their belongings in the boot of their car whilst at the beach. They have said they were looking at the water and reading at the time. And I appreciate that Miss R and Mr P have explained they were able to see the car from where they were but I don't think that's enough to say the car was not unattended.

Insurers are entitled to decide what risks they will accept. And not every eventuality will be covered. The events an insurer will and won't cover needs to be clearly set out in the terms and conditions of the policy. I'm satisfied Great Lakes has clearly set out what it will cover in relation to a claim for personal baggage and items, and which exclusions will apply.

Items left in cars are vulnerable so insurers apply the exclusion described so as to ensure that only cases where cars are actually broken into are covered. Unfortunately in this case I can't find that an electronic device was most likely used. I have seen the article Miss R and Mr P provided but it was from some time ago, and there isn't anything else to support what it's saying. In the absence of any definitive evidence I look at what is most likely on balance. And with no evidence otherwise of force and violence being used I think it's fair Great Lakes has applied the exclusion.

Whilst I understand this will be disappointing for Miss R and Mr P taking all this into account I'm satisfied Great Lakes has acted fairly and in accordance with the policy terms when declining the claim.

### *Personal Money claim*

Great Lakes has pointed out that valuables and personal money left unattended in a car aren't covered. And I can see that under the section 'what is not covered' it says, "loss, theft of, or damage to valuables, personal money or passport from a motor vehicle left unattended at any time." So whilst I appreciate this will be a disappointment to Miss R and Mr P I don't think Great Lakes should pay for any valuables or personal money stolen from the car.

### *Reporting theft to the police*

Great Lakes said the theft wasn't reported within 24 hours of its discovery. And this is a requirement of the policy. Miss R and Mr P have explained they became aware of the theft on Tuesday evening and reported it to the police the following day. Their testimony in regard to this has been consistent. The police report also supports this. So I'm satisfied the theft was reported within the timescales set out in the policy.

### *Claim Delay*

The relevant industry rules say an insurer should handle claims promptly. I can see Miss R and Mr P submitted their claim to Great Lakes together with the police report and supporting documents on 23 June, a few days after the theft.

Despite this they didn't receive an outcome to the claim until October, some four months later. And given Miss R and Mr P provided the relevant information to Great Lakes from the outset I'm unable to see why there was delay. During this time Miss R and Mr P had to chase Great Lakes for an update on a number of occasions and were frustrated when they received requests for details already provided. And I think given the situation and the items which were stolen I think this would have caused Miss R and Mr P further distress and inconvenience.

Following the investigator's view Great Lakes accepted the findings in respect of the delay. I will discuss this further below.

### **Putting things right**

Had Great Lakes dealt with the claim promptly in the first instance I don't think Miss R and Mr P would have needed to continue to engage with Great Lakes and ourselves in an attempt to satisfy themselves their claim had been dealt with fairly and correctly. I'm satisfied this has taken time and effort from Miss R and Mr P, and I don't doubt it would have been stressful and upsetting during that process. Our investigator recommended Great Lakes pay Miss R and Mr P £100 to recognise the trouble and upset. And I think this recommendation is a fair one that falls in line with our service's approach and what I would've directed, had it not already been made. So I will direct Great Lakes to pay this amount.

### **My final decision**

For the reasons I've explained above, I uphold this complaint in part. I direct Great Lakes Insurance SE to do what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P and Miss R to accept or reject my decision before 22 June 2023.

Kiran Clair

**Ombudsman**