

## **The complaint**

Miss S complains that Great Lakes Insurance SE declined her travel insurance claim. My references to Great Lakes include its agents.

## **What happened**

Miss S had travel insurance which I understand she bought from the holiday provider when she booked a cottage for her holiday in the UK. The policy insurer is Great Lakes. After Miss S made the final holiday payment she realised the cottage is on a working farm, which she said wasn't acceptable to her group as they're ethical vegans and that location is against their principles. Miss S cancelled the booking and received a partial refund, minus the original deposit which she claimed for on the policy.

Great Lakes declined the claim. It referred Miss S to the following wording in the 'Cancellation' section of the policy:

*'What is not covered:*

*10. Any claim as a result of You not wanting to travel or due to Your personal or financial circumstances (other than as set out under this section).'*

Great Lakes said Miss S had cancelled the accommodation due to her personal circumstances which weren't covered by the policy terms.

Miss S complained to us. She said she Great Lakes hadn't taken into account the following 'mitigating circumstances' around her claim:

- The information about the location of the cottage wasn't available on booking and only became clear after she paid the final amount. If she'd known about the location she could have made an informed decision and not booked the cottage.
- The business hadn't been transparent about the cottage location in the advert or on booking and it failed to acknowledge her beliefs which led her to cancel the cottage. She said ethical veganism is now a protected characteristic under law. She wants Great Lakes to refund the deposit.

Our investigator said Great Lakes reasonably declined the claim under the policy terms. Miss S disagrees and wants an ombudsman's decision. She said the policy exclusion was irrelevant as she did want to travel and had to find alternative accommodation.

## **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.

Our Investigator correctly told Miss S that we can only consider complaints that relate to regulated or otherwise covered activities, or activities ancillary to those activities. The details are set out in the Financial Conduct Authority's (FCA) DISP rules. Advertising and selling holidays by a holiday provider aren't regulated activities so we can't consider those

complaint points. Miss S should contact the holiday provider if she's unhappy about how the holiday was sold to her.

Great Lakes is a separate business from the holiday provider. Great Lakes isn't responsible for how the holiday was advertised or sold. Great Lakes isn't responsible for deciding whether a refund is payable to Miss S under the holiday provider's terms of business for the holiday booking. Great Lakes is the insurer of the travel insurance policy and it's responsible for deciding whether Miss S has a valid claim under the policy terms and conditions, and paying that claim if so.

The FCA's, the relevant regulator, rules say that insurers must handle claims promptly and fairly and they mustn't turn down claims unreasonably. I understand why Miss S didn't want to stay at a cottage on a working farm given her beliefs. But I think Great Lakes reasonably declined her claim. I'll explain why.

Travel insurance policies don't cover every situation in which a consumer finds themselves. Great Lakes can decide what risks it wants to cover in its insurance contract with Miss S and the terms and conditions of the policy set out what Great Lakes will cover.

The policy says Great Lakes will pay the unused non-refundable pre-booked accommodation costs which Miss S has paid if cancellation occurs because of one of the following insured events:

- 1. The death, Bodily Injury or Illness, as certified by a Medical Practitioner, of You, Your Relative, Colleague or travelling companion or of a friend with whom You had arranged to stay; or*
- 2. Your attendance at a court of law as a witness (except as an expert witness) or for Jury Service where postponement of the Jury Service has been denied by the Clerk of the Courts Office; or*
- 3. You or Your travelling companion being a member of the Armed Forces, Police, Ambulance, Fire or Nursing Service and Your or their authorised leave being cancelled due to an unexpected emergency or a posting overseas at the time of Your trip; or*
- 4. You or Your travelling companion being instructed to stay at Home (within 7 days of Your departure date) by a relevant authority due to severe damage to Your or their Home or place of business in the United Kingdom caused by serious fire, explosion, storm, flood, subsidence or burglary; or*
- 5. Your involuntary redundancy or that of Your travelling companion or Your spouse, civil partner or cohabiting partner, notified after the purchase of this Policy or after the trip was booked, whichever is later.*
- 6. Accidental Bodily Injury or death following Accidental Bodily Injury or Accident involving any domestic cat or dog owned by You, where Your attendance at Home is recommended by the treating vet'.*

Miss S cancelled the cottage booking because it's unsuitable for her group as the cottage location is against their principles. Miss S' reason for cancellation isn't one of the specific, listed insured events for which cancellation cover is provided. Great Lakes correctly declined the claim as not being covered under the policy terms and conditions.

Great Lakes referred Miss S to an exclusion in the 'Cancellation' section of the policy to decline her claim. The exclusion emphasises that if Miss S' personal circumstances causing the cancellation aren't as set out in points 1 to 6 above there's no cover for cancellation. Great Lakes didn't need to refer to the exclusion as the important point is the claim doesn't fall within one of the insured reasons for cancellation.

I also need to decide what's fair and reasonable in all the circumstances. I've considered the points Miss S made about why she thinks it's unfair for her claim under the policy not to be paid. But I can't reasonably say Great Lakes should pay the claim because Miss S thinks there was a problem with the sale of the holiday by a separate business.

Ethical veganism being a protected characteristic under the law doesn't mean Great Lakes has to pay the claim. As I've said, Miss S' reason for cancelling the cottage isn't an insured event under the policy terms and I'm not aware of any travel policy that would cover cancellation for that reason.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 16 February 2024.

Nicola Sisk  
**Ombudsman**