

## **The complaint**

Mrs C and Mr P have complained that Great Lakes Insurance SE ('Great Lakes') has unfairly declined their claim.

All reference to Great Lakes includes any agents acting on its behalf.

## **What happened**

Mrs C and Mr P have a travel insurance policy underwritten by Great Lakes.

They booked a trip abroad but their flight was cancelled by the airline due to a fire at the airport. Mr P called Great Lakes who told them they would be covered for their cancelled accommodation. But when they made a claim, it was declined.

Mr P complained to Great Lakes and unhappy with its response, referred the complaint to the Financial Ombudsman Service.

Our investigator looked into the complaint but didn't think Great Lakes had unfairly declined the claim as it had acted in line with the policy terms and conditions. He said there was no cover under the cancellation section, the travel delay and abandonment section, or any other section of the policy, for their circumstances.

Mr P disagreed and in summary, said he would have tried to sell his accommodation and wouldn't have booked an alternative holiday had he been given the correct advice about cover when he called Great Lakes.

And so the case was passed to me for a final decision.

## **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 think this complaint should be upheld, in part. I'll explain why.

The background to this complaint is well known to both parties and has been set out in detail by the investigator. So I won't repeat the facts here and will instead focus on what I consider to be key to my conclusions.

The relevant rules and industry guidelines say an insurer should handle claims promptly and fairly. And shouldn't unreasonably reject a claim.

I issued my provisional thoughts to this complaint on 7 February 2024 which I've set out below:

### *"Provisional thoughts*

*I have reviewed all of the available documentation and have listened to the call Mr P*

*made to the business.*

*Having done so, it is clear that the business did provide Mr P with incorrect information when it told him that he was covered for his accommodation costs.*

*I note that he received a partial refund and says he booked another holiday which he wouldn't have done had he been given correct information.*

*Having reviewed the policy documents, I don't think there is any cover for Mr P's circumstances for the reasons already explained by our investigator. So I don't think the claims decision is incorrect.*

*But I have to consider the impact of the incorrect information on Mr P when he called.*

*Based on the call, the emails surrounding the complaint and Mr P's circumstances, I don't think he would have tried to get to his destination even if he had been given correct information.*

*Had he been given correct information, he says he may have tried to recoup some of the accommodation costs. Mr P could have done this in any case, as he said he was going to try to cancel before making a claim. And the holiday he booked isn't a financial loss – it was something he was able to enjoy so I won't be asking the business to pay for the other holiday he booked.*

*I haven't seen any evidence that Mr P might have been able to sell the accommodation to someone else at such short notice so I can't give much weight to this argument.*

*I do think he would have felt some disappointment when the business told him his claim wasn't covered and so I think £200 compensation would be appropriate to recognise his loss of expectation and disappointment. Our compensation bands can be found on our website. I have considered the length of time between the incorrect advice and claims decision as well as the terms and conditions which clearly set out what is and isn't covered."*

Great Lakes responded and agreed to my provisional thoughts. Mrs C and Mr P didn't respond and so I don't see any reason to depart from my provisional findings which I adopt as my final decision.

### **My final decision**

For the reasons set out above, I partially uphold this complaint and direct Great Lakes Insurance SE to pay Mrs C and Mr P a total of £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr P to accept or reject my decision before 15 March 2024.

Shamaila Hussain  
**Ombudsman**