

## **The complaint**

Mr L and Mr L1 complain that Great Lakes Insurance SE has turned down a gadget claim Mr L made on a travel insurance policy.

As Mr L suffered the loss and made this claim, I've referred mainly to him throughout this decision.

## **What happened**

The circumstances of this complaint are well-known to both parties. So I've simply set out a summary of what I think are the key events.

Mr L was on a UK trip in February 2024. He'd stayed overnight with friends on 22 February 2024 in a city I'll call M before travelling on to another city on the following day by train. On 23 February 2024, Mr L's mobile phone was stolen close to the rail station. So he made a claim on the policy.

Great Lakes investigated Mr L's claim. Ultimately, it didn't think there was enough evidence to show that Mr L had pre-booked or pre-arranged accommodation ahead of the trip. Therefore, it didn't think the claim fell within the policy definition of an insured journey. And so it turned down Mr L's claim.

Mr L was unhappy with Great Lakes' decision and he asked us to look into his complaint. He'd provided a text message showing that he'd pre-arranged an overnight stay with friends in M the night before the theft; evidence of his onward train travel from M on 23 February 2024; evidence of a pre-booked evening event in M; as well as letter from his friends, confirming that Mr L had stayed at their property overnight on 22 February 2024.

Our investigator thought Mr L's complaint should be upheld. Briefly, he didn't think the policy defined what Great Lakes meant by 'pre-booked'. And he considered that Mr L had provided enough evidence to show that he most likely had pre-arranged an overnight stay in M, some weeks ahead of his stay. So the investigator didn't think it had been fair for Great Lakes to turn down the claim. He recommended that Great Lakes should reconsider the claim and pay Mr L £150 compensation for the trouble and upset its handling of the claim had caused him.

Great Lakes disagreed. It said that the policy wasn't designed to cover this type of claim. And it maintained there was no evidence that Mr L had pre-booked accommodation.

The complaint's been passed 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 don't think Great Lakes has treated Mr L fairly and I'll explain why.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. I've taken those rules into account, amongst other relevant considerations, such as regulatory principles and guidance, the policy terms and the available evidence, to decide whether I think Great Lakes handled Mr L's claim fairly.

I've first considered the policy terms and conditions, as these form the basis of the contract between Mr L and Great Lakes. Mr L's mobile phone was stolen and so he made a theft claim under the gadget cover provided by his policy. This provides cover if a gadget is stolen whilst a policyholder is on a trip. So I've turned to consider Great Lakes' definition of a trip. The gadget section of the policy says that a trip is:

*'Travel during the policy period.'*

The theft of Mr L's phone took place in a city away from his home and his annual policy provided cover up until 23 April 2024. I'm satisfied then that the loss happened during a 'trip' as defined in the gadget section of the policy.

But Great Lakes considers that Mr L's claim doesn't meet the policy definition of an insured trip. So I've also looked carefully at the policy definition of 'insured journey'. This says:

*'a pre-booked Leisure Trip or Business Trip from or within the United Kingdom, started and ended during the Policy Period and which includes a flight or pre-booked overnight accommodation away from Your Home. For an Annual multi-trip policy, a journey that is started within the Policy Period is only covered until the end of the Policy Period unless the Policy is renewed prior to expiry.'*

As the investigator said, the policy doesn't define what Great Lakes means by 'pre-booked'. It was open to it to include such a definition in the contract terms. So I have considered the ordinary and everyday meaning of the word, together with the following definition I've taken from a well-known dictionary:

*'Arranged to happen, be done, or be used at a particular time in the future.'*

I think this is a reasonable interpretation of 'pre-booked'.

Great Lakes doesn't agree that Mr L has shown he had pre-booked accommodation. So I've looked carefully at the available evidence to decide whether I think this was a fair conclusion for it to reach.

Mr L provided both Great Lakes and this service with evidence of a text message exchange, from January, between Mr L's partner and a friend which asks whether Mr L and his partner were up for a get together on 22 and 23 February. Mr L's partner replied to say '*definitely*' and both parties agreed that a date had been set. Given this exchange was dated around four weeks before Mr L travelled to M, I think it's clear evidence that a pre-arrangement *had* been made for Mr L to stay overnight with friends. I've also seen evidence of a further text Mr L's friend sent to Mr L's partner on 21 February 2024, which checked what time Mr L and his partner planned to arrive the next day.

Subsequently, Mr L provided evidence of an event booking for the evening of 22 February 2024 in M with those friends, along with event photos; a letter from his friends stating that he'd stayed overnight there on 22 February 2024; train tickets from M to another city dated 23 February 2024; and location settings from his partner's phone which showed the phone had been at the friends' address between 22 and 23 February 2024.

I appreciate this isn't definitive proof that Mr L had pre-booked accommodation for his trip. But I need to make a decision based on the balance of probabilities – what I think is most likely to have happened, given the evidence and circumstances. In my view, on balance, Mr L has provided enough persuasive evidence to show it's more likely than not that he did pre-arrange to stay with friends overnight on 22 February 2024. And that the theft happened on the following day after Mr L had travelled onward from M. So I'm satisfied that Mr L has provided enough evidence to show he met the policy definition of an insured journey.

And I'd add too that I don't think Mr L's accommodation booking here is material to the circumstances of this claim. That's because the theft happened in another city and wasn't linked to the accommodation Mr L stayed in while he was in M.

As such then, I don't think it was fair or reasonable for Great Lakes to turn down Mr L's claim. And so I find it must now reconsider the claim, in line with the remaining terms and conditions of the policy.

I also don't think Great Lakes handled this claim fairly. I think it had the evidence it needed to show that Mr L had pre-arranged/booked accommodation some months ago. So I think it's unreasonably delayed the fair assessment of this claim. I don't doubt that this has caused Mr L to suffer additional, unnecessary distress and inconvenience, on top of the inevitable inconvenience caused by the theft he suffered. So I too think that an award of £150 compensation is fair, reasonable and proportionate to reflect the impact of Great Lakes' handling of the claim on Mr L.

### **Putting things right**

Great Lakes must now:

- Reconsider Mr L's claim, in line with the remaining terms and conditions of the policy and any applicable excesses; and
- Pay Mr L £150 compensation.

### **My final decision**

For the reasons I've given above, my final decision is that I uphold this complaint. I direct Great Lakes Insurance SE to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L and Mr L to accept or reject my decision before 19 November 2024.

Lisa Barham  
**Ombudsman**