

## The complaint

Mr A and Mrs M have complained that Great Lakes Insurance UK Limited (trading as Virgin Money) didn't carry over their medical declaration details at the 2024 renewal of their annual travel insurance policy, thereby invalidating their cover.

As it is Mr A leading on the complaint, I will mostly just be referring to him in this decision.

## What happened

The policy automatically renewed in July 2024 at a cost of £114. In November 2024 Great Lakes wrote to Mr A to alert him that no medical conditions were declared on the current policy, in contrast to previous years. He rang it in December 2024, at which point the medical screening was done, the conditions added and an additional premium of £4.27 charged.

In response to the complaint, Great Lakes accepted that, due to a technical error, it had not sent Mr A the renewal notice which would have explained to him that he'd need to re-declare any medical conditions. The renewal documents would also have asked him to check the new policy to ensure it remained suitable. Therefore, it apologised and upheld his complaint.

Our investigator didn't think that an apology was sufficient in the circumstances. She therefore recommended that Great Lakes should pay £75 compensation for distress and inconvenience.

Great Lakes accepted our investigators findings. Mr A doesn't think that £75 is enough to reflect the errors that occurred or the impact caused, so the complaint has been passed to me for a 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.

Great Lakes accepted it was at fault and upheld the complaint. Therefore, the only question for me to decide is, what would be an appropriate remedy for what went wrong.

Mr A has said that he expects Great Lakes to take full responsibility. It has done this, by upholding the complaint and apologising.

He's also said that he would like proper compensation for the financial stress caused. Great Lakes is entitled to charge a premium in line with the risk that it has agreed to cover. So, I'm satisfied that it was reasonable for it to require him to pay an additional £4.27, especially to ensure that there was full cover going forward. I'm not persuaded that this has caused any financial difficulty.

Mr A says the most concerning thing is that they had travelled two or three times without being fully covered, so he dreads to think what might have occurred if something had happened whilst they were abroad. I can only base any award on known facts, rather than a

hypothetical scenario (of what might have happened) and the potential consequences. Mr A did not need to make a claim on the policy and therefore there has been no detriment in that regard.

He's also unhappy with the way that Great Lakes dealt with the issue. When he rang on 12 December 2024, he was told that a renewal notice had been sent. When he asked for a copy of that email, the adviser said he'd check whether it was ok to re-send it and then call him back the following day. However, the adviser did not call him back. It then transpired that no renewal notice had been sent. Great Lakes did apologise for this in its final response letter dated 24 January 2025.

Whilst Mr A has said that there was a delay and that he was waiting for six months for Great Lakes to do anything, I'm not persuaded that is the case. It sent him an email on 5 November 2024 telling him there might be a problem with the medical declaration. In response, he rang on 9 December 2024 and the matter was sorted out then and there, with the policy being updated and the appropriate premium charged. And his complaint was then responded to on 24 January 2025, with Great Lakes identifying what had gone wrong and fully accepting its shortcomings.

Whilst they were unaware of any issues at the time they were travelling, I do appreciate the upset of finding out later that they might not have been fully covered during their earlier trips. So, it's this upset that Great Lakes needs to provide compensation for.

I've thought very carefully about what Mr A has said and am very sympathetic to his position. The policy was renewed without the correct information, through no fault of his own. So, I can understand why he feels he should be paid a higher amount of compensation. However, as an alternative dispute resolution service, our awards are more modest than he might expect and likely less than a court might award. On balance, I'm satisfied that £75 is a reasonable and proportionate amount for the distress and inconvenience caused.

### **My final decision**

For the reasons set out above, I uphold the complaint and require Great Lakes Insurance UK Limited (trading as Virgin Money) to pay £75 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A and Mrs M to accept or reject my decision before 27 January 2026.

Carole Clark  
**Ombudsman**