

The complaint

Mr and Mrs O are unhappy that Great Lakes Insurance SE (Great Lakes) declined their travel insurance claim.

Mr and Mrs O are being represented on this complaint.

Any reference to Great Lakes includes all its agents.

What happened

Mr and Mrs O took out an annual multi-trip travel insurance policy. The policy started on 2 November 2023 and ended on 1 November 2024. The underwriter on the policy is Great Lakes.

They booked a trip in July 2023 and were due to travel on 2 November 2023 and return on 12 November 2023.

On 17 October 2023, Mrs O became ill and was admitted to hospital and had surgery the following day. Mr and Mrs O were unable to go on their trip and therefore cancelled it.

They submitted a claim for the cancellation cost of their trip. Great Lakes declined the claim. It said the trip was cancelled before the start date of their policy and there was no cover for the cancellation costs.

Unhappy with Great Lakes' response, Mr and Mrs O brought their complaint to this service. Our investigator didn't uphold it. She didn't think the claim had been declined unfairly by Great Lakes as the event that led to the cancellation of the trip was before the policy started.

Mr and Mrs O disagreed and asked for the complaint to be referred to an ombudsman. So, it's been passed to me.

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.

The relevant rules and industry guidelines say that insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules into account when deciding what I think is fair and reasonable in the circumstances of Mr and Mrs O's complaint.

As is commonplace with insurance policies, Great Lakes' policy doesn't provide cover for every eventuality. But as long as Great Lakes sets out what is and isn't covered by the policy in its terms and conditions, it can decline to pay for anything which it has excluded within those terms. So, I need to decide if Great Lakes has applied its terms fairly in the circumstances of this complaint.

I've started by looking at the terms and conditions of Mr and Mrs O's travel policy.

On page 5 of the policy document, it sets out what cover is available for cancellation on an annual multi-trip policy:

'Annual multi-trip policies:

Cover for the Cancellation of Your Insured Journey starts on the date shown as the start date on Your Policy Schedule or from the date the Insured Journey is booked (whichever is later) and ends when You leave Your Home to start Your Insured Journey or at the end of the Policy Period (whichever is sooner). All other cover under this Policy starts when You leave Your Home to start Your Insured Journey and ends when You return to Your Home to end Your Insured Journey or at the end of the Policy Period (whichever is sooner).'

And the certificate of insurance states:

'Please note: Cancellation cover is only effective from the start of your policy. We would suggest you start the cover from the date you book your holiday, rather than the travel date. This ensures cancellation cover is included should you need to make a claim before you travel.'

Mr and Mrs O booked their trip in July 2023, and they were due to depart on 2 November 2023. Their policy also started on 2 November 2023. But with an annual policy, if the start date of the policy is chosen to be the same as the start date of the trip (rather than the date the policy is taken out), there is no cover for cancellation in place for any insured events which take place before the period of cover starts.

From the information available, I can see Mr O was on an online chat conversation with Great Lakes on 27 October 2023. He contacted Great Lakes and informed it that Mrs O *'had to go in for emergency surgery and is not going to be fit to fly for our holiday at the start of November'*. I also note that Mr O asked for a claim form. And he said that he'd spoken to his travel provider, who'd asked for a letter from his doctor which they were trying to arrange.

Based on this online chat, it's clear that Mr and Mrs O had already been informed Mrs O wasn't fit to fly/travel and they they'd also already contacted their travel provider. So, whether the insured event was on 17 October 2023 (when Mrs O first became ill) or 27 October 2023, that's regardless. This is because both dates are before the start date of the policy of 2 November 2023.

I appreciate their comments that they cancelled the trip on 2 November 2023 and that it was always their intention to go on the trip. But the information I have seen shows that they were already aware that Mrs O wasn't fit to fly on 27 October 2023, and they had also contacted their travel provider with a view to cancelling their trip.

I note Mr and Mrs O's comments that they believe the date of the insured event was 2 November 2023. But I don't agree. The event that led to the cancellation of the trip was 17 October 2023 when Mrs O became ill and at the very latest, it would have been 27 October 2023 as this was when Mr O contacted Great Lakes to say that Mrs O wasn't deemed fit to fly.

It's clear that Mr O did say Mrs O was deemed not fit to fly by this point, he asked for a claim form and said he'd contacted his travel provider. So, it seemed more likely than not that the trip was going to be cancelled at this point. And eventually, it was cancelled on 2 November 2023, the day the policy started.

I also don't think it's enough to say it wasn't until 2 November 2023 that they were advised sufficient progress hadn't been made by Mrs O for her to be able to go on the trip. I

understand they didn't cancel their trip until 2 November 2023 or advise the travel provider. And they may have had every intention to travel but based on the conversation on the online chat, this was most likely going to happen by 27 October 2023. So, even if they ended up cancelling the trip on 2 November 2023, that doesn't necessarily mean they weren't aware of the need to do this by 27 October 2023. And therefore, I'm not persuaded that Mr and Mrs O had cover available for the cancellation of their trip.

I don't doubt that Mr O was trying to do the right thing and not hide Mrs O's change in circumstances. But the information he provided was clear in that Mrs O wasn't fit to fly on 27 October 2023 and her doctor had been contacted as they were trying to get a letter from them. They'd also contacted their travel provider.

Mr and Mrs O have questioned why non-linked chats could be found but other chats and calls that were linked to their policy couldn't be found as evidence. They say this doesn't look right and this service's role is to probe when this happens. I agree, we do have an inquisitorial remit. However, I note the investigator asked Mr and Mrs O to provide information on the dates the calls might have been made. However, they couldn't provide this information. And she also asked Great Lakes to search these calls and provide recordings. However, Great Lakes could only provide the transcripts to the online chats. We can therefore only base our findings on the information available.

Overall, I am sorry for the circumstances that Mr and Mrs O have found themselves in and I'm sorry to disappoint them. But I can't reasonably ask Great Lakes to pay the claim. In the circumstances here, I'm satisfied that Great Lakes declined Mr and Mrs O claim in line with the policy terms and conditions and it did so fairly and reasonably. It follows therefore that I don't require Great Lakes to do anything further.

My final decision

For the reasons given above, I don't uphold Mr and Mrs O's complaint about Great Lakes Insurance SE.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O and Mrs O to accept or reject my decision before 21 November 2024.

Nimisha Radia
Ombudsman