

The complaint

Mrs S complains that Great Lakes Insurance SE declined her claim against her travel insurance policy. Reference to Great Lakes includes its agents. Mrs S' daughter, Mrs S1 is assisting Mrs S in bringing her complaint.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here in full. In summary, Mrs S had an annual travel insurance policy underwritten by Great Lakes. The policy relevant to this complaint started on 27 November 2021 and ended on 26 November 2022. Mrs S paid an additional premium in relation to cruise cover.

In May 2022, Mrs S and her friend planned a trip with departure and return dates of 30 September 2022 and 13 October 2022 respectively. The trip included a cruise from 1 October 2022 to 10 October 2022, and a train journey back to the UK from 12 October 2022 to 13 October 2022.

Mrs S and her friend travelled to the point of departure of the cruise. On 1 October 2022, Mrs S' friend tested positive for Covid-19. The cruise operator denied Mrs S boarding as someone in her travel party hadn't met its pre-boarding health requirements. The cruise provider offered Mrs S and her friend a '*100% Future Cruise Credit*' in relation to the cruise fare.

Mrs S and her friend remained in the city of the departure point of their cruise and incurred additional accommodation costs in three hotels.

On 4 October 2022, Mrs S1 contacted Great Lakes on her mother's behalf. I'll refer to that conversation below.

On 9 October 2022, Mrs S and her friend took an additional flight to the point of departure of their train journey. They booked additional accommodation there and joined their train journey, as planned, on 12 October 2022.

Following her return home, Mrs S made a claim against her policy for the cost of the cruise and additional accommodation and flight costs.

Great Lakes declined Mrs S' claim. It gave various reasons for doing so. But in its final response to Mrs S of 12 June 2023, it said that what happened here wasn't an insured event. It also relied on an exclusion in the policy which says that there's no cover for claims relating to Covid-19 which aren't proved by a medically approved test showing a positive result.

Mrs S says that she lost the cruise element of her trip and claimed for that and associated additional costs. She says that Mrs S1 contacted Great Lakes during her trip and was told not to worry about anything and to keep all receipts and that it would be sorted out on her return. Mrs S says that her policy includes cover for Covid-19,

including where a companion tests positive for Covid-19. She thinks that Great Lakes acted unfairly in declining her claim.

One of our investigators looked at what had happened. He said that what happened here isn't covered by the policy, so he didn't think that Great Lakes had acted unfairly in declining Mrs S' claim. The investigator said that he'd listened to the recording of the phone call on 4 October 2022 between Mrs S1 and Great Lakes. He said that whilst Great Lakes was upbeat about the claim, it didn't say that it would be covered. The investigator said that even if Great Lakes had said it would pay the claim, which it didn't, it didn't alter what Mrs S did as she and her friend had already decided on their course of action.

Mrs S didn't agree with the investigator. She said that at the departing port they were asked to isolate for five days, so they were unable to join the cruise. Mrs S says that they were unable to continue their trip and she doesn't think it's unreasonable to ask for compensation for loss of part of their trip. She says that the policy covers circumstances where a travelling companion tests positive for Covid-19.

The investigator considered what Mrs S said but didn't change his view. As there was no agreement between the parties, the complaint was 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.

The relevant rules and industry guidance say that Great Lakes has a responsibility to handle claims promptly and fairly and it shouldn't reject a claim unreasonably. I don't uphold Mrs S' complaint and I'll explain why:

- Insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. In general terms, insurers can decide what risks they wish to cover.
- The policy defines '**Trip(s)**' as '*A holiday or journey for leisure purposes that takes place during the **period of cover** which begins when **you** leave **home**, and ends when you return **home** [...]*'. Mrs S' trip started on 30 September 2022 and ended on 13 October 2022.
- Mrs S' trip wasn't cancelled before the departure date or curtailed: Mrs S started and ended her trip on the dates planned. So, the cancellation and curtailment provisions in the policy don't assist Mrs S.
- Mrs S has referred to cover for cancellation or curtailment when a travelling companion has a diagnosis of Covid-19. The provision to which she refers relates to a diagnosis of Covid-19 in the 14 days before the departure date, so 14 days before 30 September 2022 in this case. That's not what happened here.
- I've considered whether Mrs S' trip was *effectively* curtailed when she was denied boarding on 1 October 2022 and therefore whether it's fair and reasonable to direct Great Lakes to treat Mrs S' claim as if her trip had been curtailed.

- I don't think that it would be fair and reasonable to conclude that Mrs S' trip had been effectively curtailed. That's because Mrs S wasn't confined to her hotel room from 1 October 2022 until she re-joined her itinerary for the train journey. She moved hotels twice at her first location. Mrs S has told us that she ate at the hotels, used the hotels' gardens and grounds, explored the town and ate in restaurants. She travelled to a second location in order to continue her trip and did sightseeing there.
- Whilst Mrs S' trip wasn't what she planned originally, I don't think I can fairly conclude that her trip was effectively curtailed from 1 October 2022. The policy excludes cover for loss of enjoyment.
- Even if I reached a different conclusion about that, the cruise provider offered Mrs S a full credit for the cost of the cruise, so she hasn't suffered a loss in relation to that element of her trip.
- I've listened to the recording of the phone call on 4 October 2022 between Mrs S1 and Great Lakes. Great Lakes told Mrs S1 what documentation Mrs S would need to provide in order to make a claim. It didn't say that her claim would be successful. I don't think that anything said in that phone call alters the outcome here.
- I'm sorry to disappoint Mrs S but, for the reasons I've explained, I don't uphold this complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 23 February 2024.

Louise Povey
Ombudsman