

The complaint

Miss C complains that Great Lakes Insurance SE has turned down a missed departure claim she made on a travel insurance policy.

What happened

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

Miss C was travelling abroad in a country I'll call N. She was due to fly from W - a city in N - to A, another city in N, on a domestic flight. And from there, she was due to begin her international return journey to the UK. The domestic flight was booked separately to the international flight and was operated by another airline.

Unfortunately, due to adverse weather, Miss C's domestic flight from W to A was cancelled by the airline. This meant she missed her international return flight from A. She was able to rebook her return flights, but incurred costs in doing so. So Miss C made a claim on her travel insurance policy for the costs she incurred.

Great Lakes turned down Miss C's claim. It said the policy didn't cover the circumstances of Miss C's claim.

Miss C was unhappy with Great Lakes' decision and she asked us to look into her complaint.

Our investigator didn't think it had been unfair for Great Lakes to turn down Miss C's claim. He didn't think the circumstances of the claim were covered by the policy terms.

I issued a provisional decision on 20 December 2023 which explained the reasons why I didn't think it had been fair for Great Lakes to turn down Miss C's claim. I said:

'The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So I've considered, amongst other things, the terms of Miss C's policy and the circumstances of her claim, to decide whether I think Great Lakes has treated her fairly.'

I've first considered the policy terms and conditions, as these form the basis of Miss C's contract with Great Lakes. It's common ground that due to the cancellation of Miss C's domestic flight from W to A, she missed her international flight to the UK, which departed from A. So I think it was reasonable and appropriate for Great Lakes to consider the claim in line with the Missed Departure and Missed Connection section of the policy. I've set out the relevant terms below:

'This section of the Policy sets out the cover We provide to each Insured Person in total per Insured Journey, up to the sum insured shown in the "Table of Benefits", in the event that You arrive too late (as shown on Your ticket) to board Your pre-booked scheduled Public Transport at Your last departure point on Your outward journey or Your last departure point on Your return journey as a result of:

1. *Scheduled Public Transport services failing to get You to Your last departure point due to Strike or Industrial Action, adverse weather conditions (but not those defined as a Catastrophe), mechanical failure or Your direct involvement in an accident; or*
2. *The private motor vehicle in which You are travelling being directly involved in an accident or breaking down; or*
3. *A delay involving the vehicle in which You are travelling due to unexpected and unforeseen heavy traffic or road closures that were sufficiently severe to warrant reporting on a recognised motoring association website, Highways Agency website, on television, news bulletins or in the press.*

What is covered

1. *Your reasonable and necessary additional travel and accommodation expenses (room only) of a similar standard to the original booking, to allow You to reach Your trip destination or catch up on Your scheduled itinerary (for missed departure on Your outward journey) or to return Home (for missed departure from Your last departure point on Your homeward journey).'*

Both parties seem to accept that the flight from W to A was cancelled due to adverse weather. And indeed, I've seen a copy of a letter from the relevant airline which stated that the flight was cancelled for this reason. It appears to me that Great Lakes has turned down Miss C's claim because it considers that the flight from W to A was the first departure point on Miss C's journey. I've considered this very carefully.

The evidence Miss C has provided shows that she had booked a domestic flight to travel between W and A and she says this had formed part of her overall travel in N. Miss C's flight booking shows that her international return journey was booked through an entirely different airline and was due to commence in A, from where she was due to take a flight back from N to the UK. The return flight included a stopover, with a connection back to the UK. So I think it would be fair to conclude that Miss C's final departure point for her international return journey was A.

So in the circumstances of this case, I currently think it would be fair and reasonable for Great Lakes to treat A as Miss C's last departure point for her return journey from N to the UK. I note that the policy definition of public transport includes scheduled flights. So I think it would be fair to conclude that Miss C missed her international return flight from A because her flight from W to A failed to get her to the airport in time to catch her international return flight, as a result of adverse weather. As such, I currently think that it would be fair and reasonable for Great Lakes to treat Miss C's claim as covered under the Missed Departure section of the policy.

I appreciate that Miss C's international return flight was made-up of two 'legs' and included a stop-over. However, it seems to me that as Miss C's holiday was based in N, the final departure point for Miss C's return journey was A. So I think it would be reasonable to treat Miss C's return journey as one effective flight. I'd add too that I note the policy contract doesn't exclude missed departure claims arising from or including connecting flights.

Overall, I currently think the fair outcome to this complaint would be for Great Lakes to treat Miss C's claim as covered under the Missed Departure section of the contract and to consider her claim in line with the remaining policy terms and conditions.'

I asked both parties for any further evidence or comments they wanted me to consider.

Miss C accepted my provisional findings.

Great Lakes said it had nothing further to add.

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, as neither party has provided any further evidence or comments, I see no reason to change my provisional findings.

So my final decision is the same as my provisional decision and for the same reasons.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that I uphold this complaint.

I direct Great Lakes Insurance SE to reconsider Miss C's Missed Departure claim, in line with the remaining terms and conditions of the policy.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 20 February 2024.

Lisa Barham
Ombudsman