

## **The complaint**

Mrs F and Mr F have complained that Great Lakes Insurance UK Limited declined a claim they made under their annual travel insurance policy.

## **What happened**

The background of this complaint is well known to all parties. In summary In April 2023 Mr and Mrs F had booked a river cruise holiday departing in October 2023. In May 2023 they took out an annual travel insurance policy underwritten by Great Lakes. Unfortunately due to medical reasons and advice they were given, they cancelled the holiday in September 2023, having paid in full.

A claim was made for the costs of the cancellation of the cruise. Great Lakes reviewed the claim and declined payment referring to the policy terms and the cover selected on the policy.

Mr and Mrs F complained. Great Lakes maintained its stance regarding the declined claim but accepted comments about the delays dealing with the claim and paid £100 compensation in this regard.

The matter remained unresolved and was referred to our service to review. Our investigator didn't recommend that it be upheld, she didn't find that Great Lakes had done anything wrong.

Mr and Mrs F appealed.

## **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.

Although I've summarised the background to this complaint no discourtesy is intended by this. Instead, I've focused on what I find are the key issues here. Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. Having considered all the representations made, including those made in response to the investigator's view, I agree with the conclusion they reached. 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. So I've considered, amongst other things, the circumstances of Mr and Mrs F's claim, to decide whether I think Great Lakes handled the claim fairly.

First, I've considered the policy terms and conditions, as these form the basis of Mr and Mrs F's contract with Great Lakes. There are several references to 'Cruise':

*Under the heading **Upgrades** the policy states:*

*This policy contains different levels of cover, some of which do not apply unless you have*

*paid the appropriate additional premium.*

*Any extra benefit you have purchased will be shown on your Validation Certificate.*

*Please read the policy carefully and ensure the cover reflects your requirements. Upon payment of an additional premium you may upgrade your travel insurance coverage by purchasing any of the following upgrades prior to the commencement of your trip:*

### **Cruise cover**

*Cruise trips are not covered under this policy unless you have selected this option and paid the additional premium at the time of purchasing your policy. For cover to apply "Cruise: Covered" must appear on your Validation Certificate. Additional cover may also be purchased in the form of the optional Cruise Plus Cover extension.*

I find the policy did make clear that an additional premium needed to be paid for cruise cover.

Further, there are *General exclusions – applying to all sections*. These include:

*4. Any claim arising from a cruise holiday, where "Cruise: Not covered" is shown on your Validation Certificate and where any required additional premium has not been paid.*

It isn't disputed that *Cruise: Not Covered* was shown on Mr and Mrs F's validation certificate. However Mr F has said that he had checked online that River Cruise was to be considered under standard insurance cover. Nevertheless he has made clear that this information wasn't provided by Great Lakes. Mr F believes that the policy is misleading and says there is nothing apparent in the policy specific to a river cruise. I've looked carefully at the policy terms to see if this is so. However the policy defines cruise as follows:

### **Cruise**

*Trips on ocean or **river cruise-ships/ boats**. No cover is provided for cruise holidays unless you have declared this to us and "Cruise: Covered" is shown on your Validation Certificate. Payment of an additional premium may be required. A ferry crossing does not constitute a cruise. (My emphasis)*

Accordingly I don't find that the policy failed to mention or didn't include river cruises. I do note that Mr and Mrs F took a policy with a different insurer which didn't require cruise cover. But all policies have different terms and conditions. It is for the consumer to ensure that the product they are purchasing is right for them. This is made very clear in the policy document.

On the Welcome page it says:

### **Essential Information**

*It is important that you read this policy document and your Validation Certificate carefully to ensure that it meets your requirements and so that you understand the extent of cover provided, what is and is not covered along with any terms, or conditions of cover.*

*The policy document contains different levels of cover, some of which are optional and only apply where you have selected them and paid the required additional premium.*

I understand Mr and Mrs F's strength of feeling – they didn't set off on their cruise due to a serious medical issue. They had paid in full. But despite my natural sympathy I don't find that

Great Lakes treated Mr and Mrs F unfairly, unreasonably or contrary to their policy terms by declining their claim.

I note that when considered the claim initially Great Lakes omitted to notice that Mr and Mrs F didn't have cruise cover – which meant that there was an unnecessary delay in advising them that their claim wasn't covered. This is unfortunate and I find that compensation was merited. Great Lakes offered £100 and I find that was fair. I make no further award.

Mr F has expressed concern about what he considers to be confusion in the industry on the requirement for cruise cover to be taken out as cruise cover. As he is aware we don't regulate insurers, rather our role is to look at individual disputes. Here, I have considered, Mr and Mrs F's complaint about Great Lakes. I'm sorry that my decision doesn't bring them welcome news.

### **My final decision**

For the reasons given above 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 F and Mr F to accept or reject my decision before 17 April 2025.

Lindsey Woloski  
**Ombudsman**