

## **The complaint**

Mr W has complained that Great Lakes Insurance SE has turned down his claim for losses he and other members of his family suffered as a result of abandoning their holiday.

Any reference to Great Lakes includes its agents.

## **What happened**

Mr W booked a flight, along with two other members of his family, with an airline which is part of a travel company who I'll refer to as T. Mr W also booked accommodation separately. He then took out a travel insurance policy with Great Lakes to cover himself and the other two members of his family for the trip. They were due to fly to their holiday destination on 6 July 2024. Mr W received an email just before this from T saying that it had cancelled package holidays due to Hurricane B. And it said customers who were flight only would still be able to continue to travel and should go to the airport for their scheduled departure time.

Mr W and the other two family members arrived at the airport on time and were told the flight was delayed. After more than 12 hours, they decided to abandon their trip. They were subsequently told by T that the flight was cancelled. However, Mr W discovered the plane departed anyway without passengers as a 'repositioning flight'.

Mr W submitted a claim under the policy. Great Lakes declined it on the basis that the abandonment was caused by a catastrophe, which meant there was no cover under the Travel Delay and Abandonment section of the policy. Mr W complained, but Great Lakes wouldn't alter its decision. In its final response letter Great Lakes also pointed out there was no cover under the Cancellation section of the policy either, although it incorrectly referred to this as the Travel Delay and Abandonment section.

Mr T asked us to consider his complaint. One of our investigators did this. He said Great Lakes was entitled to turn down the claim because the reason Mr W and the other insured persons abandoned their trip was not one of the reasons covered by the policy.

Mr W doesn't agree with the investigator's assessment and has asked for an ombudsman's decision. He has said he believes he and the insured persons are covered under the Travel Delay and Abandonment section of the policy. He's pointed out that the policy states the following things are covered up to the policy limit if the insured persons decide to abandon their trip:

- a) Your unused non-refundable pre-booked travel and accommodation expenses which You have paid or are contracted to pay; and
- b) Your unused non-refundable pre-booked airport parking, car hire, airport lounge pass and excursions which You have paid or are contracted to pay; and
- c) Your unused non-refundable visa, ESTA (Electronic System for Travel Authorisation for travellers to the USA) or other relevant travel permission which **You** have paid.

## 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.

Mr W is correct in saying that the Travel Delay and Abandonment section of the policy provides cover for the abovementioned things if the insured persons decide to abandon their outward trip. And this is exactly what he and the other insured persons did after waiting more than 12 hours at the airport without being told their flight had been cancelled. However, crucially, just above the section in the policy setting out what is covered in respect of travel delay and abandonment it states the following:

'This section of the **Policy** sets out the cover **We** provide to each **Insured Person** in total per **Insured Journey** up to the sums insured shown in the "Table of Benefits, in the event of **Your** unavoidable delay in departure of at least 12 hours from **Your** original scheduled departure time from **Your** first departure point on **Your** outward journey or **Your** last departure point on **Your** return journey as a result of:

1. Adverse weather conditions (but not those defined as a **Catastrophe**).
2. **Strike or Industrial Action**.
3. Mechanical breakdown of the **Public Transport** on which **You** are booked to travel.'

'**Catastrophe**' is defined elsewhere in the policy as 'avalanche, earthquake, explosion, fire, flood, hurricane, landslide, tornado, tsunami, volcanic activity or outbreak of infectious disease (unless declared an epidemic or pandemic by the **World Health Organisation**).'

As I see it, Mr W and his travelling companions abandoned their trip due to a decision by the airline to cancel their flight. It could be argued this was due to Hurricane B or it could be argued it was for operational reasons. I favour the latter. But, either way, it is not one of the reasons for travel delay and abandonment listed as covered by the policy. And I would only expect Great Lakes to cover the losses mentioned as covered under the Travel Delay and Abandonment section of the policy if the reason for abandonment was one of the ones listed. So, I do not think Mr W and the insured persons are covered under this section of the policy.

I have also checked the rest of the policy and I do not consider there is any cover for their losses under any other section. Even if it could be said their holiday was cancelled, it was not cancelled for any of the reasons listed in the policy as being covered.

Therefore, while I am sorry to hear Mr W and the others insured under the policy have lost a considerable amount of money, I am satisfied Great Lakes' decision to decline their claim is in line with the policy terms and that it would not be fair and reasonable to make it meet the claim for any other reason.

## My final decision

It therefore follows that for the reasons set out above, I've decided not to uphold Mr W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 27 February 2025.

Robert Short  
**Ombudsman**