

## **The complaint**

Mr and Mrs M are unhappy that Great Lakes Insurance UK Limited declined a claim they made on their annual travel insurance policy.

All reference to Great Lakes includes its agents.

## **What happened**

Mr and Mrs M were abroad with their young family when a conflict broke out in the region.

Their return flight was cancelled by their airline and so Mr and Mrs M booked an alternative flight back to the UK from a different destination earlier than they'd planned.

They claimed for the costs of alternative flights totalling almost £10,000. Great Lakes declined the claim under the policy. It said there wasn't an insured event covering the circumstances which led to Mr and Mrs M cutting short their trip.

Unhappy Mr and Mrs M complained to Great Lakes. And after it maintained its position to decline the claim, they referred a complaint to the Financial Ombudsman Service.

Our investigator looked into what happened and didn't uphold their complaint. Mr and Mrs M disagreed so their complaint has been passed to me to consider everything afresh 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 guidelines say that Great Lakes has a responsibility to handle insurance claims promptly and fairly. And it shouldn't unreasonably decline a claim.

The policy does provide cover for 'curtailment and loss of holiday'. Curtailment is defined as: "returning to your home in the United Kingdom before the scheduled return date".

Subject to the terms of the policy this includes cover for "reasonable additional travel...expenses which you incur in the curtailment of your insured journey".

However, that's only applicable if there's an insured event under this section of the policy.

Having considered the insured events under the 'curtailment and loss of holiday' section of the policy terms, cutting short a trip due to the circumstances which led to Mr and Mrs M returning back to the UK early - including their flight being cancelled or for war or civil unrest (or equivalent) – aren't listed as insured events.

So, on a strict application of the policy terms and conditions there's no cover under this section of the policy.

I've also looked at the other sections of the policy terms including the cancellation and travel delay/ abandonment sections. I'm satisfied that there's no cover for Mr and Mrs M's circumstances either.

I've considered whether that leads to a fair and reasonable outcome in the circumstances of this case. And I'm satisfied it does.

When deciding this complaint, I've taken into account that Mr and Mrs M say they contacted Great Lakes before booking alternative flights to check that the costs would be covered.

They say Great Lakes confirmed that they would be, and they relied on the advice given.

However, I've seen no evidence in support that such a phone call took place, or what was discussed. So, I'm not persuaded on the balance of probabilities that Mr and Mrs M were given assurances that their costs would be covered in the circumstances, and outside the policy terms.

I've also taken into account that there are general exclusions in the policy which apply to all sections of the policy terms. There's no cover for war and civil unrest (amongst other things). It describes this as:

Your presence in an area which is subject to war and civil unrest unless your presence in such an area is due to:

...the sudden, unexpected occurrence of war and civil unrest in an area previously in a state of peace at the time you entered the area;

And in such cases you will be covered for a maximum of 72 hours from...the time when war and civil unrest first occurs, provided that:

- a. You make all reasonable efforts to leave the affected area in the first opportunity; and
- b. You are not involved in active participation.

War and civil unrest are defined by the policy terms as:

- Any sort of (whether declared or not), hostility, invasion, revolution, act of foreign enemy, civil war or unrest, rebellion, insurrection, mutiny, uprising or military usurped power, martial law, state of siege or United Nations or NATO enforcement action; or
- The explosion of war weapons(s), utilisation of nuclear, chemical or biological weapons or the hostile act of an enemy foreign to the nationality of the insured person or of the country in which the act occurs.

Mr and Mrs M travelled during a state of peace, and even if I was satisfied that they made all reasonable efforts to leave the affected area at the first opportunity (and the policy could offer cover within the 72 hours timeframe), this term is a policy exclusion.

For a claim to be covered, the circumstances which led to Mr and Mrs M cutting short their trip and returning to the UK need to be listed as an insured event in one of the sections of cover set out in the policy terms. I've explained why I'm not persuaded that's the case here.

I know Mr and Mrs M will be very disappointed and I have a lot of empathy for their situation, and the costs they incurred booking alternative flights back to the UK. However, for the reasons set out above, I'm satisfied Great Lakes has acted fairly and reasonably by declining their claim.

**My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs M to accept or reject my decision before 14 April 2025.

David Curtis-Johnson  
**Ombudsman**