

## **The complaint**

Mr and Mrs M complain that Great Lakes Insurance UK Limited has turned down a claim they 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.

Mr and Mrs M were due to fly abroad on 22 January 2024. However, due to named storm conditions, their road journey to the airport was affected by flooding and road closures. As they were concerned about their safety, they decided against travelling and returned home. They made a claim for the costs of their lost holiday.

Great Lakes turned down Mr and Mrs M's claim. That's because it didn't think the claim was covered under any section of the policy.

Mr and Mrs M were unhappy with Great Lakes' decision and they asked us to look into their complaint.

Our investigator didn't think Great Lakes had treated Mr and Mrs M unfairly. He didn't think the claim was covered by the cancellation or travel delay sections of the policy. And while poor weather was a covered risk under the missed delay section of the contract, he didn't think Mr and Mrs M had incurred any additional travel or accommodation expenses to get to their final destination. So he didn't think it'd been unfair for Great Lakes to turn down the claim.

Mr and Mrs M disagreed. In brief, they said Great Lakes hadn't given them any advice as to what section of the policy they should claim under. They said that due to the weather conditions, they'd had no choice but to turn back – and indeed, authorities had advised against all unnecessary travel. So they felt this situation had been exceptional. They also felt they had incurred additional travel and accommodation expenses, as they'd booked a new trip to replace the lost holiday. And they said they believed that the general public would expect to be covered in this situation.

The complaint's been 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.

Having done so, whilst I'm sorry to disappoint Mr and Mrs M, I don't think it was unfair or unreasonable for Great Lakes to turn down their claim and 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. I've taken those rules into account, amongst other relevant considerations, such as regulatory principles, the policy terms and

the available evidence, to decide whether I think Great Lakes treated Mr and Mrs M fairly.

I've carefully considered the policy terms and conditions, as these form the basis of the contract between Mr and Mrs M and Great Lakes. I must make it clear that it's for Great Lakes to decide what specific risks it does and doesn't want to insure, although it must set out the cover it's chosen to provide clearly in the policy documentation. No insurance policy available on the market will cover every eventuality.

Initially, Great Lakes assessed the claim under the cancellation section of the policy. I don't think this was an inappropriate response from Great Lakes, given Mr and Mrs M decided not to travel as they'd planned. The cancellation section of the policy says that Great Lakes will pay for the necessary and unavoidable cancellation of trips which are cancelled because of one of the following reasons:

- '1. The death, Bodily Injury or Illness, as certified by a Medical Practitioner, of You, Your Relative, Colleague or travelling companion or of a friend with whom You had arranged to stay; or*
- 2. Your or Your travelling companion's attendance at a court of law as a witness (except as an expert witness) or for Jury Service where postponement of the Jury Service has been denied by the Clerk of the Courts Office; or*
- 3. You or Your travelling companion being a member of the Armed Forces, Police, Ambulance, Fire or Nursing Service and Your or their authorised leave being cancelled due to an unexpected emergency or a posting overseas at the time of Your trip; or*
- 4. You or Your travelling companion being instructed to stay at Home (within 7 days of Your departure date) by a relevant authority due to severe damage to Your or their Home or place of business in the United Kingdom caused by serious fire, explosion, storm, flood, subsidence or burglary; or*
- 5. Your involuntary redundancy or that of Your travelling companion or Your spouse, civil partner or cohabiting partner, notified after the purchase of this Policy or after the trip was booked, whichever is later.'*

It's clear that Mr and Mrs M's trip wasn't cancelled because of one of the above, specific reasons. So I don't think it was unreasonable for Great Lakes to conclude that the claim wasn't covered by this section of the contract.

Great Lakes also considered whether Mr and Mrs M's claim was covered under the 'Travel delay and abandonment' section of the contract. This says:

*'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.'*

Whilst Mr and Mrs M clearly decided to abandon their trip due to adverse weather conditions, it's also clear from their testimony that they hadn't been able to travel to the airport. And they weren't delayed at their departure point for more than 12 hours. I haven't seen any evidence that their original flight was delayed by bad weather or that it would have been delayed by more than 12 hours. So I don't think it was unfair for Great Lakes to conclude that the claim wasn't covered by this section of the policy either.

Mr and Mrs M also asked Great Lakes to assess their claim under the 'Missed Departure' section of the policy. This part of the contract does provide cover if a policyholder arrives too late at their final outward departure point because of (amongst other things):

*'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 web site, Highways Agency website, on television, news bulletins or in the press.'*

The evidence Mr and Mrs M have provided clearly shows that there was a real impact on the roads due to the flooding following the storm. However, the missed departure section of the contract goes on to set out the cover Great Lakes will provide in these circumstances. It says:

*'What is covered*

*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).***' (My emphasis added).

I think the policy terms make it clear that Great Lakes will pay the additional travel and accommodation costs for a policyholder to allow them to reach their trip destination as a result of missing their departure because of one of the listed, insured events. In this case, Mr and Mrs M decided to return home and they decided against travelling. While I appreciate they went on to book another holiday to replace the one they couldn't take, I don't think it was unreasonable for Great Lakes to conclude that they hadn't incurred additional travel and accommodation expenses to allow them to reach their original pre-booked destination or catch-up on their original itinerary. This means I don't find Great Lakes acted unfairly by deciding that the claim wasn't covered by the Missed Departure section of the contract either.

It's clear Mr and Mrs M were left significantly out of pocket as a result of the storm conditions and I appreciate the reasons why they felt they had no choice but to return home. I also understand that the storm conditions were entirely unexpected. However, whilst I sympathise with Mr and Mrs M's position, I don't think Great Lakes unfairly concluded that the claim wasn't covered under any section of the insurance contract. And I don't think there are any reasonable grounds upon which I could direct Great Lakes to pay their claim.

I understand Mr and Mrs M felt Great Lakes could have made it clearer which section of the policy they should claim under. It might have been helpful if Great Lakes had proactively considered the claim under the Travel Delay and Missed Departure sections of the policy at the outset, as well as under the cancellation section. However, given there was no cover under any part of the policy for Mr and Mrs M's situation, I don't think any failing on Great Lakes' part here has caused them to lose out or to suffer any unreasonable delays in receiving a claims decision. So I don't think Great Lakes needs to do anything to put things right.

### **My final decision**

For the reasons I've 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 M and Mr M to accept or reject my decision before 4 June 2025.

Lisa Barham  
**Ombudsman**