

The complaint

Mr A and Ms B complain that Great Lakes Insurance UK Limited didn't pay a claim under their travel insurance policy.

What happened

Mr A and Ms B bought a single trip travel insurance policy on 25 May 2025 to cover their family for a trip between 25 May and 1 June 2025. The policy was provided by Great Lakes.

Mr A and Ms B, and their children, were due to travel on 25 May 2025, but because of operational reasons (a passenger passing away on the inbound flight), their flight was cancelled. The flight was rearranged for 26 May 2025, and they departed around 29 hours after the original scheduled time. Mr A and Ms B made a claim to Great Lakes for missing out on a day of their holiday. However, it declined the claim, as it said there was no cover under the policy in the circumstances Mr A and Ms B found themselves in.

One of our investigators reviewed the complaint. Having done so, she didn't think Great Lakes had acted unfairly or unreasonably in the circumstances. She said the policy terms didn't provide cover in the circumstances of Mr A and Ms B's claim.

Mr A and Ms B didn't agree with the investigator's findings. I've summarised their key arguments below:

- The investigator had applied an unduly technical and restrictive interpretation of the policy terms, rather than consider what was fair and reasonable.
- Great Lakes didn't act in line with regulatory requirements when it declined the claim. The circumstances around the claim were also exceptional and unforeseeable, and ambiguity in policy terms should be interpreted in favour of the consumer. Overall, a consumer would reasonably expect these circumstances to be covered.
- The impact on Mr A and Ms B, and their family, was significant, for reasons beyond their control. Overall, it's not fair for insurers to decline claims made in these circumstances.

The investigator addressed these points, though Mr A and Ms B made further points and asked for an ombudsman to review the complaint. I'm satisfied the crux of these further points are reasonably captured in the summary above.

As no agreement was reached, the complaint has 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.

Mr A and Ms B made detailed arguments in response to the investigator's findings. Whilst I've considered everything they've said, I've only addressed the points that I consider to be material to the outcome of their complaint, as I'm required to do.

Industry rules set out by the regulator (the Financial Conduct Authority) say insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules, and other industry guidance, into account when deciding what I think is fair and reasonable in the circumstances of this complaint.

I appreciate Mr A and Ms B suffered an unforeseeable loss, that was beyond their control. But that alone doesn't mean it would be fair and reasonable to ask an insurer to pay their claim. Insurers are entitled to decide what risk they're willing to accept in return of a premium, and travel insurance policies don't cover every eventuality. The risks an insurer is willing to accept are set out in the policy terms and conditions. So, I've carefully considered the policy terms of the cover Mr A and Ms B held.

The most relevant section in the policy terms is the "Travel delay and abandonment" section, which provides the following cover:

"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."*

I think the policy terms are clear that this section provides cover if the delay is as a result of the three listed events. Mr A and Ms B's trip was delayed by over 29 hours due to operational reasons, and more specifically, due to the death of a passenger on the inbound flight that they were due to board for their outbound flight. I think it's clear that this isn't an insured event under the above section of their policy. So, I'm satisfied the policy doesn't provide cover in the circumstances Mr A and Ms B found themselves in.

Unlike Mr A and Ms B have suggested, I don't think it would be fair or reasonable for me to ask an insurer to pay a claim if the circumstances aren't listed as an insured event under the policy terms. I think the above terms set out clearly what risk Great Lakes accepted in return of the premium Mr A and Ms B paid. But I have considered the remaining policy terms to see if their claim could be covered under another section.

Having done so, I'm satisfied that none of the other sections apply in their circumstances. In short, Mr A and Ms B didn't cancel or curtail the trip, or miss their departure in line with those policy terms – rather, the start of their trip was delayed. And none of these sections list their circumstances as an insured event.

I'm sorry to disappoint Mr A and Ms B, but I don't think Great Lakes acted unfairly or unreasonably when it declined their claim for the reasons it did.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A and Ms B to accept or reject my decision before 1 December 2025.

Renja Anderson
Ombudsman