

## **The complaint**

Ms G has complained that Great Lakes Insurance UK Limited declined a claim she made on a travel insurance policy.

## **What happened**

Ms G was on a trip abroad in June 2025 and left her resort accommodation early due to a cockroach infestation. She then made changes to her planned itinerary, returning home to the UK. She therefore made a claim on the policy for unused and additional expenses.

Great Lakes declined the claim on the basis that the circumstances are not covered under the policy terms.

Our investigator thought that Great Lakes had acted reasonably, in line with the policy terms and conditions. Ms G disagrees and so the complaint has been passed to me for a decision.

## **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 complaint involves the actions of the claim administrators, acting on behalf of Great Lakes. To be clear, when referring to Great Lakes in this decision I am also referring to any other entities acting on its behalf.

I've carefully considered the obligations placed on Great Lakes by the Financial Conduct Authority (FCA). Its 'Insurance: Conduct of Business Sourcebook' (ICOBS) includes the requirement for Great Lakes to handle claims promptly and fairly, and to not unreasonably decline a claim.

Ms G encountered a huge cockroach during a night-time trip to the bathroom. This resulted in her having a severe panic attack as she has a phobia of large insects, leaving her unable to sleep for the rest of the night. In the morning, the resort manager confirmed that there was a wider issue with cockroaches that they were having difficulty controlling. Her roommate, who had come to her aid and dealt with the cockroach, was due to leave, meaning that Ms G would be alone in the room, which was a prospect she was unable to tolerate. The resort refunded her for the nights she wouldn't be using.

Ms G has talked about having a reasonable expectation that such a scenario would be covered. However, insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. The test then is whether the claim falls under one of the agreed areas of cover within the policy.

The relevant policy terms state:

'Section 3: Curtailment and loss of holiday

*This section of the Policy sets out the cover We provide to each Insured Person in total per Insured Journey, up to the sum insured shown in the “Table of Benefits”, following necessary and unavoidable Curtailment of, or Loss of Holiday on, an Insured Journey as a result of:*

- 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 recalled Home 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 start of the trip.*

*What is not covered*

- 2. Any claim as a result of Your decision to Curtail the trip for reasons other than those listed within this section.’*

I appreciate what Ms G has said about the intensity of her panic attack. I’ve no doubt that she went through a very difficult time. However, she didn’t incur any medical expenses as a result of the incident. And the panic attack was a consequence of the cockroach infestation, which is the fundamental reason for the claim.

She’s talked about the seriousness of the infestation and the accommodation becoming effectively uninhabitable. Great Lakes isn’t necessarily disputing that. However, the matter at hand is whether those circumstances are covered under the policy terms.

Looking at the above policy wording, I’ve satisfied that the scenario isn’t one of the insured events listed under the Curtailment section. Therefore, it was reasonable for Great Lakes to decline the claim on that basis.

I’ve also looked at the remainder of the policy wording, to see if there were any other sections under which the claim could be considered. However, the circumstance she found herself in also doesn’t fall within the scope of the wider policy terms.

I am very sympathetic to Ms G’s situation. The infestation was outside of her control and she had to remove herself from the resort. There’s no suggestion that she should have acted differently. However, the question is whether Great Lakes has done anything significantly wrong – and I’m unable to conclude that it has. I find that it acted fairly and reasonably in declining the claim, in line with the policy terms and conditions.

**My final decision**

For the reasons set out above, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 19 May 2026.

Carole Clark  
**Ombudsman**