

The complaint

Mr W complains Great Lakes Insurance SE provided incorrect and misleading information during his claim for the repair of a damaged laptop and treated him unfairly.

What happened

Mr W previously brought a case to our service about a claim he made under his travel insurance policy, underwritten by Great Lakes. The outcome of that case was that Great Lakes was directed to reassess Mr W's claim for his damaged laptop.

Great Lakes reassessed the claim in September 2023. On 25 September 2023, it asked Mr W to send it his laptop for repair. It also asked Mr W to provide the password.

Mr W responded the same day and said he shouldn't have to provide his password. And he referenced data protection rules.

The following day on 26 September 2023, Mr W emailed Great Lakes again. He said he'd since been told his laptop password was not required. However he was unhappy that he needed to send the laptop to Great Lakes and couldn't take it to the manufacturer's store. He said he believed he had the option to take the laptop to an approved repair centre and he was being treated unfairly.

Great Lakes responded on 28 September 2023. It said the policy cover required the laptop to be sent to Great Lakes for repair. And it again said it needed to carry out inspections of the laptop which required the password.

Mr W responded on the same day and queried why he was now being asked for his password again, after being told it wasn't needed. He said he was willing to send the laptop, but not to provide his password.

Great Lakes replied the next day. It confirmed it did not need Mr W's password and it would be able to complete the checks it needed to perform on the laptop without this. And it asked Mr W to send his laptop.

Mr W complained to Great Lakes again on 4 October. He said he thought the insurer had acted deceptively and unprofessionally. He said there had been a breakdown of trust and he'd been without a working laptop for five months. So he said he felt he'd had no choice but to take the laptop to the manufacturer's store for repair. And he expected Great Lakes to pay the costs.

Great Lakes responded to Mr W's complaint and apologised for asking for his password. It said its repair partner had requested this, but the password was not needed to access the laptop for the necessary checks. It said in cases where the password is needed, the repair partner would not access any personal data and follows data regulations. However it said it thought it had acted in line with the policy terms in regard to the requirement for the laptop to be sent in for repair.

Unhappy with the response, Mr W brought his complaint to this service.

An investigator here looked into what had happened and said they didn't think Great Lakes had acted unfairly. But said Mr W should be refunded the £50 excess he paid, as his claim had ultimately not been settled.

Great Lakes didn't make any comment on the investigator's view. However Mr W disagreed and asked for a decision from an ombudsman. So, the case 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.

And I've looked at the relevant industry rules. These say an insurer must handle claims promptly and fairly, shouldn't unreasonably reject a claim and are expected to provide appropriate support to their customers throughout their relationship, including during insurance claims.

Having done so, I've reached a broadly similar conclusion to that of the investigator. And I will explain why.

Firstly I should clarify that I won't be commenting on Mr W's original claim, or any of the issues covered in the previous complaint brought to this service. This is a separate complaint and I'm focusing on what has happened since Great Lakes reassessed the claim in September 2023.

Requests for the password

Great Lakes has accepted that it did not need Mr W's password in order to inspect and repair his laptop. It has said its repair partner asked for this information, but it seems this was an error, as it later confirmed the checks which needed to be carried out could be done without the laptop password.

Great Lakes apologised for requesting the password in its response to Mr W's complaint and I think this is sufficient in the circumstances. Whilst I can appreciate these requests caused Mr W concern and inconvenience, this was over a very short period of time, as it was confirmed within a few days that the password was not needed.

The repair

The relevant terms and conditions in relation to the repair of Mr W's laptop are as follows.

“Section 8: Gadget

Accidental Damage

What is covered

We will repair or replace your gadget if it is damaged as a result of accidental damage, providing the gadget is returned to the claims administrator.”

“We will not pay for:

18. Any repairs or other costs for repairs carried out by anyone not authorised by us.”

I'm satisfied the policy terms and conditions require Mr W to send his laptop to Great Lakes for repair. And that the policy specifically excludes the costs of repairs carried out elsewhere, unless Great Lakes has authorised this.

Mr W has said Great Lakes previously authorised him to have his laptop repaired elsewhere and later withdrew this. However I've not seen any evidence that Great Lakes gave authorisation for Mr W to arrange his own repair. I've reviewed the correspondence from 25 September 2023 onwards when Great Lakes re-assessed the claim. And in its communications it requested that Mr W sent his laptop to the insurer. And so I'm not persuaded it was unfair for Great Lakes to request Mr W's laptop so that it could arrange the repairs.

Mr W has said he thought Great Lakes' communications had been deliberately deceptive, so he lost trust and felt he had no choice but to make his own arrangements for the repair. And he's said he thinks the request for the password is a breach of the policy contract. Based on the correspondence I've reviewed, I've seen nothing that leads me to think Great Lakes acted deliberately or deceptively. As I explained above, Great Lakes said its repair partner asked for the password, and it was thought this was needed to complete checks on the laptop. And I accept this, as I think it's a reasonable explanation.

Whilst I appreciate Mr W was frustrated by the incorrect information he was given, the policy does not provide cover for a gadget to be repaired by anyone the insurer has not authorised. Mr W chose to make his own arrangements for the repair of his laptop, however it doesn't automatically follow that Great Lakes should cover the costs.

I've considered that when Mr W raised concerns that he'd again been asked for his password, Great Lakes replied within 24 hours confirming the password was not required and that Mr W should send it his laptop. Mr W has said he didn't see this email until 30 September, by which time he'd already taken his laptop to the manufacturer for repair. However this still doesn't persuade me that Great Lakes should be liable for the costs. I think Great Lakes responded within a reasonable timeframe. The policy doesn't provide cover for the laptop to be repaired elsewhere and Great Lakes had informed Mr W of this in its email on 28 September 2023. Mr W replied to that email on the same day. So I'm satisfied he was aware he was required to send his laptop to Great Lakes in order to be covered for the repair, prior to him making his own arrangements.

Complaint handling

Mr W raised concerns about when Great Lakes should have treated his emails as a complaint and the information it needed to provide about referral to our service. Complaint handling isn't a regulated or other covered activity. So as a general rule, and in line with the law, if the complaint is solely about complaint handling, we wouldn't be able to look into things. Where complaint handling forms a part of a customer's complaint, then we can take into account complaint handling when looking at the overall customer experience. In this case, I can't say the issues which Mr W raises about complaint handling are an extension of the issues which relate to regulated activities, so I can't look into the complaint handling part of the complaint.

Putting things right

As the laptop was ultimately not sent to Great Lakes to continue with the accidental damage claim, the insurer should refund the excess payment of £50 to Mr W.

My final decision

For the reasons I've given, it's my final decision that I uphold this complaint in part. I direct Great Lakes Insurance SE to refund Mr W the £50 excess payment, unless it has already done so. And to pay interest at 8% from the date the payment was originally made to the date it is refunded.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 4 April 2024.

Gemma Warner
Ombudsman