

## **The complaint**

Mr and Mrs N complain Great Lakes Insurance SE handled their home insurance claim poorly.

Great Lakes has been represented by agents for the claim and complaint. For ease I've generally referred to the agents' actions as being those of Great Lakes.

## **What happened**

The background to this complaint is well known to both parties. So I've chosen to provide only a summary of events, Mr and Mrs N's complaint points and Great Lakes responses.

In mid-December 2022, Mr and Mrs N's home suffered an escape of water. They claimed against their Great Lakes home insurance policy. On 26 December they complained about a lack of action from Great Lakes. Not long after that they appointed a loss assessor to assist them with the claim. In February 2023 Great Lakes said it didn't accept responsibility for any avoidable delay – apart from postponement of a loss adjuster visit.

In late April 2023 Great Lakes issued a further complaint response. It accepted its surveyor had failed to contact Mr and Mrs N or their loss assessor within a reasonable timescale. It also agreed it had taken too long to provide a recording of their original claim notification call.

In July 2023 Great Lakes provided a third complaint response. It accepted a referral for a claim sign off had been delayed by around a month. It also acknowledged poor levels of communication with Mr and Mrs N's loss assessor. It offered £100 compensation to Mr and Mrs N in recognition. It later increased that offer to £350.

Mr and Mrs N weren't satisfied with that, so asked this service to consider their complaint. The buildings, contents and other losses had been settled to their satisfaction. However, they didn't accept the compensation paid as being enough to reflect the impact on them of Great Lakes' poor claims handling – including its delay and poor communications. In summary they feel this resulted in them having to undertake work Great Lakes should have done, caused them to have to cancel a holiday they didn't receive a refund for and spend months longer than necessary living in poor conditions.

In September 2023 our Investigator considered the complaint. She didn't feel Great Lakes could fairly be held responsible for Mr and Mrs N missing out on their holiday. But she was of the opinion it had caused avoidable delay. She recommended, to recognise the impact of its poor claim handling, Great Lakes should increase its offer of compensation to £750.

Mr and Mrs N didn't accept that outcome. They said the £750 is not remotely proportionate to the harm they have suffered at the hands of Great Lakes.

## **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.

As this is an informal service I'm not going to respond here to every point or piece of evidence Mr and Mrs N and Great Lakes have provided. Instead I've focused on those I consider to be key or central to the issue. But I would like to reassure both that I have considered everything submitted.

I don't need to consider the claim settlement. As far as I'm aware that has now been resolved to Mr and Mrs N's satisfaction – although I accept that happened later than they consider reasonable.

I've first considered the missed holiday. I accept Great Lakes failed to log Mr and Mrs N's first notification of loss – on 18 December 2022. This potentially delayed the claim progress for a few days – until they managed to get it registered several days later.

A visit by Great Lakes' drying contractor was arranged for 1 January 2023. That was in the middle of the planned trip. Mr and Mrs N feel that if the initial call had been logged the visit would have taken place days earlier – allowing them to go on their trip. I accept that's possible. But I can't say it's most likely what would have happened, particularly as the relevant period was between Christmas and the New Year. I can't say the contractor would most likely have had an available appointment that suited Mr and Mrs N's holiday plans.

In addition I can't see that, when registering their claim, Mr and Mrs N made Great Lakes aware of the trip. Neither have I seen that they requested the appointment be postponed. It's unfortunate that they couldn't make the trip. But overall there isn't enough for me to say Great Lakes was responsible for them missing the trip and so should reimburse the cost or pay some form of compensation.

Mr and Mrs N feel the compensation, £750 in total, recommended by the Investigator isn't enough. I've considered everything they have said about their experience. I accept Great Lakes did make mistakes. It did cause avoidable delay – probably extending the life of the claim by a couple of months. I can see it failed to respond to contact from Mr and Mrs N on numerous occasions. And I've considered the likely impact on them of all this – including taking into account their particular circumstances – like their age, health and living conditions.

I should point out that I can only award compensation for any additional and unnecessary distress or inconvenience an insurer's responsible for. A loss of this nature, an escape of water in the home, is by its nature usually a very distressing experience. So, unfortunately, it was always likely that this event would be distressing and very inconvenient for Mr and Mrs N.

I'm persuaded Great Lakes claims handling did result in additional distress and inconvenience. They had to live in a disrupted home for longer than necessary, arrange some of the initial work themselves and had to deal with the claim over an extended period. But I'm satisfied that £750 is a fair amount of compensation to recognise the impact of its mistakes. So I'm not going to require Great Lakes to pay Mr and Mrs N anything more than that.

### **My final decision**

For the reasons given above, Great Lakes Insurance SE will need to pay Mr and Mrs N a total of £750 compensation (it can deduct from that amount any compensation already paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N and Mrs N to accept or reject my decision before 1 February 2024.

Daniel Martin  
**Ombudsman**