

## **The complaint**

Mr P has complained about two claims which Great Lakes Insurance SE declined under his Home Emergency policy which he holds jointly with Mrs P.

All reference to the insurer, Great Lakes include its agents.

## **What happened**

In March 2019 Mr P reported a leak in his hallway. Great Lakes appointed an engineer to visit Mr and Mrs P's home. In order to trace the source of the leak, access needed to be gained to below the floor which had tiles covering it. Mr P said the first engineer believed the floor to be concrete. As Mr and Mrs P's policy didn't cover 'trace and access' the engineer didn't carry out further works. He also said it was possible the leak was coming from the neighbouring property.

Mr P was unhappy with the outcome of the first engineer's visit. Great Lakes offered for a second engineer to attend. The second engineer also reported access issues to identify the course of the leak. He suggested possibly accessing under floorboards from the living room next to the hallway. Great Lakes said there was an unacceptable health and safety risk due to the small space and the risk of a pipe bursting. It said the scope of works fell outside the cover available under the policy and suggested Mr P contact his home insurance policy to see if 'trace and access' cover was available.

Mr P didn't agree and complained to Great Lakes about its handling of the claim and its decision. But Great Lakes said it had acted correctly. So it didn't uphold his complaint. In June 2019 Mr P made a claim as he was having problems with his front door and Great Lakes appointed an engineer to attend. The engineer offered to put a lock on the door overnight to make it secure, but Mr P refused. He said the lock was too big and wanted the locking system to be replaced in full.

Great Lakes agreed as a gesture of goodwill to provide a full repair as quoted by a locksmith. A month later Mr P reported issues with the same door and an engineer attended.

The engineer said the issue was with the hinges of the door. The door was in fact a porch door. There was an internal secure door to the property from the porch door. Great Lakes appointed two door fitters to look to obtain replacement hinges to repair the door. Unfortunately the hinges were obsolete. A third door fitter said there was a crack in the lower hinge, but there was no risk of the door coming away and confirmed it was secure. So Great Lakes said it wouldn't authorise any further works as the door was functioning and there was no emergency present.

Mr P complained. He wanted Great Lakes to replace the door. But Great Lakes didn't uphold Mr P's complaint.

Mr P asked us to look at both of his complaints. He said that he arranged for a plumber to repair the leak and it was discovered that the floor beneath the tiles in the hallway was wood

and not concrete. So he believes the engineers Great Lakes instructed should have done more to access the leak.

Mr P said his door doesn't close properly. He said various companies told Great Lakes that a door replacement was required. He said Great Lakes said it would pay Mr P some compensation but he hadn't received any.

Our investigator thought Great Lakes had acted in line with the policy terms in both cases when deciding to decline the claims. But in respect of the leak claim, he thought Great Lakes could have better managed Mr P's expectations about the access issue after the first engineer's visit. He could see Mr P made many calls and he thought Great Lakes could have been clearer in its communication with Mr P. For this he recommended Great Lakes pay £150 compensation to Mr P.

Great Lakes accepted the investigator's recommendation.

Mr P didn't agree. He says the term Great Lakes applied to reject the leak claim doesn't apply in his case as he believes it wasn't difficult to access the leak. He says his floor wasn't concrete as the engineer's reported.

Mr P says his door still doesn't close properly and isn't secure. 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.

I've set out each complaint under headings below.

#### *Claim for leak in March 2019*

Mr and Mrs P's Home Emergency policy provides cover in the event of a leak, subject to exclusions and limitations. The exclusion Great Lakes relied on says:

*“general exclusion - Any design defect or any repair that is rendered, in our opinion, either difficult or impossible due to problems with the access needed to facilitate the repair;”*

The first engineer said that he could hear the leak was coming from underneath the hallway and water was sitting above the floor along the neighbouring wall between the two properties. He thought it was possible that the leak could be coming from the neighbouring property. As Mr P's floor in the hallway was covered with tiles, the engineer reported that accessing underneath the floor would involve breaking through the tiles. As Mr and Mrs P's policy doesn't provide 'trace and access' cover, Great Lakes advised Mr P to contact his home insurance provider to see if this cover was available, but Mr P refused.

To resolve Mr P's complaint, Great Lakes arranged for a second engineer to attend. The second engineer thought the source of the leak was coming from underneath the hallway. He said it might be possible to access by lifting a carpet and going under floorboards in the living room and crawling underneath in a small space to access pipes under the hallway. Great Lakes sought advice from a Health and Safety manager and decided it wasn't safe for the engineer to do this. And so Great Lakes maintained its decision and advised Mr P to contact his home insurance provider, or arrange for the work to be carried out privately.

I think Great Lakes acted reasonably in applying the exclusion. I think it correctly checked for health and safety and made a fair assessment when alerted to the difficulties in the access needed to facilitate a repair. It followed the advice received; which was that the engineer was at risk of getting stuck in the small space, and at risk of harm if the pipe burst while he was underneath the floor. As the policy excludes cover for such circumstances, I think Great Lakes' decision to decline Mr P's claim was fair.

Mr P says the floor in his hallway isn't concrete. But I don't think this makes a difference as in their opinion the exclusion term still applied – and Mr P didn't have cover for 'trace and access' under the Home Emergency policy.

However, I think Great Lakes could have been clearer in explaining which term it relied on when reaching its decision. And I think it might have better managed Mr P's expectations following the first engineer's visit. There was some back and forth between Great Lakes and Mr P between the first and second engineer's visit which I think caused Mr P distress and inconvenience. For this I think Great Lakes should pay compensation of £150. Great Lakes has agreed.

#### *Claim for door security in June 2019*

When the engineer attended, he was able to secure the front door. But he told Mr P not to use the door as he may not be able to close it again once opened. The engineer left the door secure, which meant Great Lakes' obligations under the policy had been fulfilled. However, Great Lakes agreed to carry out a full repair of the door as a goodwill gesture.

When Mr P reported a problem with the door a month later, no issue with the lock was identified as it was working. But a door fitter found that the hinges were causing the door to stick when closing. Great Lakes' notes show that two door fitters tried to obtain replacement hinges, but they were no longer available. So Great Lakes instructed a third door fitter to look at Mr P's door. The third door fitter said that the lower hinge was cracked, but that the door was safe and left secure, and the lock that had previously been replaced worked.

I understand that Mr P wanted Great Lakes to replace the door. He says the door isn't secure. But as there was no emergency and the door was working so no risk to security, I don't think Great Lakes were required to do that. The term of the policy Great Lakes applied to this claim says;

*“Security, Lost keys, Roofing and Pest infestation Cover. We will assist you and pay for the call out, labour and parts and materials involved in emergencies relating to the security or roofing of your home, a pest infestation and lost keys of your home.”*

*“GENERAL EXCLUSIONS - We shall not be liable for costs arising from or in connection with: 5. General maintenance work or any system that has not been regularly maintained; 8. Any parts or item that may need to be replaced as a result of natural wear and tear; 11. Replacing lead, steel or iron pipes, rusting, corrosion, general wear and tear and/or gradual deterioration;”*

From the information available, I think Great Lakes fairly dealt with Mr P's claim. I think the issue with the hinges is down to wear and tear and isn't covered under the Home Emergency policy.

I understand Mr P will be disappointed with my decision. But I think Great Lakes' decision to reject his claims was reasonable and in line with the policy. For not being clear in its communication under the leak claim, I think it should compensate Mr P as I've set out below.

## **My final decision**

My final decision is that I uphold this complaint in part. I require Great Lakes Insurance SE to pay Mr P £150 compensation for the distress and inconvenience its poor communication caused him.

Great Lakes Insurance SE must pay the compensation within 28 days of the date on which we tell it Mr P accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

If Great Lakes Insurance SE considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mr P how much it's taken off. It should also give Mr P a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 24 February 2021.

Geraldine Newbold  
**Ombudsman**