

The complaint

Ms G complains that when her computer was damaged Great Lakes Insurance SE asked her to obtain an independent report, at her own expense, before they'd accept it for repair.

What happened

Ms G's claim has been dealt with by intermediaries acting on behalf of the underwriters of the policy. For ease of reading I intend to refer to all correspondence being sent to and replied to by Great Lakes.

Ms G has gadget insurance underwritten by Great Lakes. On 6 September 2022 she contacted Great Lakes online to make a claim as her computer had been damaged. Great Lakes responded on 12 September 2022 telling her that her policy only covered breakdown claims, and to ensure her claim met the policy criteria she'd need to obtain an independent inspection report showing the cause of the problem.

Ms G replied to them on 14 September 2022 saying that her policy didn't make any mention of her needing to provide an independent report to support a claim. She also said she'd already established she had a valid claim by providing the proof of purchase and photographs of the damage to her computer, the policy said were required.

Great Lakes maintained that for them to consider the claim Ms G needed to provide a report, so she raised a complaint. They responded to her complaint saying that to progress her claim she needed to provide an independent report confirming that the problem with her computer met the policy definition of breakdown. They also said that it was for her to prove she had a valid claim, and they didn't have to provide confirmation of where it stated she was required to provide and pay for the report they wanted.

Ms G wasn't happy with Great Lakes' response and complained to our service. Our investigator considered the case and upheld Ms G's complaint. She said Ms G's policy didn't require her to provide an independent report before her claim was accepted. It simply says, "we will repair or replace your gadget if it suffers breakdown, provided the gadget is returned to us."

Our investigator said that Great Lakes had told us that they wanted Ms G to obtain a report so she didn't have to pay the high policy excess if the claim wasn't valid. And that they'd refund the cost of the report if there was a valid claim. But they hadn't explained this to her, in fact they'd said, "we will not be responsible for any costs involved in obtaining this report."

Our investigator said that poor communication had led to unreasonable delays with the claim, so Great Lakes should pay Ms G £100 compensation for this and proceed with her claim.

Ms G accepted our investigator's opinion, but Great Lakes didn't respond. Since our investigator issued their opinion Ms G has advised us that Great Lakes have confirmed that they accept her claim.

The case has now come 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.

Ms G's policy states that in the event of a claim she needs to provide proof of purchase of her gadget. Great Lakes need the purchase receipt and proof that the computer was in use from the date the policy started until the event leading to the claim. I accept that she provided these documents when she registered her claim.

There's no mention in the policy of the need to provide an independent report. And Great Lakes don't refer, in any of the correspondence they sent Ms G, to asking for a report to ensure she didn't have to pay the policy excess in the event of not having a valid claim. Nor did they tell her that they'd refund the cost of the report if her claim was accepted.

So I don't think it was fair or reasonable for Great Lakes to ask Ms G to provide and pay for such a report. She'd provided the proof of purchase and usage the policy said was required. And by requiring her to obtain a report they unnecessarily delayed her claim.

Putting things right

To put things right I require Great Lakes to accept Ms G's claim for the repair of her computer. And to pay her £100 compensation for the distress and inconvenience caused by the delay in accepting her claim.

My final decision

For the reasons set out above my final decision is that I uphold Ms G's complaint about Great Lakes Insurance SE.

And to put things right I require them to take the steps detailed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 2 June 2023.

Patricia O'Leary
Ombudsman