

The complaint

Mr D has complained about how Great Lakes Insurance SE have dealt with two claims against his motor insurance policy. References to Great Lakes include any agents that it is responsible for unless specified.

What happened

Mr D became aware of two claims against his insurance record when he had difficulty renewing his policy. It became clear that the insurer had recorded that Mr D's son, a named driver under the policy, was fully liable for both accidents, which Mr D disputed. In fact, at the time when he raised his concerns he wasn't aware that one of the accidents had even occurred and was concerned that it was a false, and fraudulent, claim.

Mr D has dealt with a number of different businesses in pursuing his complaint and has had an earlier final decision issued by this service on another aspect of his complaint. For clarity, I record here that this complaint relates only to the handling of the claims against his policy.

After raising his query it was clarified to Mr D that the unknown incident had been one in which his son had collided with a parked car. This incident hadn't been reported to the insurer as Mr D's son felt that no damage had been caused. Mr D's complaint was that this incident should not have led to a claim and that Great Lakes had failed to investigate the reasonableness of the amount claimed when the third party reported it some months later. In relation to the other claim he argued that his son was not entirely at fault, if at all, and that a third party who had left the scene, and was untraced, was to blame for his son colliding with another car.

Great Lakes explained that under the terms of the insurance policy it was entitled to handle and settle any claims as it felt appropriate. In concluding its response to Mr D's complaint it explained that, for the parked car incident, the information from the third party on damage sustained was consistent with a low speed collision and it had chosen to settle the claim in full as it was entitled to. In relation to the other claim, it argued that it wasn't disputed that Mr D's son had collided with the claimant's vehicle and caused damage. It explained that as a result, irrespective of the actions of the untraced third vehicle, it would not have been possible to argue for liability to be recorded against the other side and that even if liability had been split then the resulting record of a claim against Mr D's son would have been the same.

Mr D was unhappy with the outcome and complained to this service. As well as the main concerns about the decisions made on the claims, he has raised concerns around the lack of clarity about which business he was dealing with and issues of a lack of professionalism in administrative errors such as typing mistakes in responses he received, and comments made to him by people dealing with his complaint.

An investigator considered Mr D's complaint but didn't uphold it. Unhappy with that outcome Mr D has asked for an ombudsman to consider his complaint.

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.

While I know that Mr D will be unhappy with the outcome, I do not uphold this complaint against Great Lakes. I will explain why I have reached this conclusion.

It's clear that there was some confusion early on about the nature of one of the claims but it seems that Mr D accepts now that it was a genuine incident. But, he argues that it was of such a minor nature that there shouldn't have been a claim paid out. And I have seen and considered Mr D's comments about the other incident and why he feels that his son shouldn't have been held responsible for the damage to the other vehicle.

I understand that these issues can be emotive and generate a sense of unfairness, especially when another driver is felt to have been responsible but ultimately not traceable or able to be held accountable. But it's important to remember that the issue of settling insurance claims is covered by the terms of the insurance policy. It has been explained to Mr D that in the case of his policy there is a very common clause in place which allows the insurer to conclude claims as it sees appropriate. An insurer will do so based on reasonable business considerations, including whether it is viable to argue for liability against the other party, or dispute a claim, including considering the possibility and cost of arguing the case in court.

As our investigator has explained it is not the role of this service to decide on liability for an accident. But our general approach is to seek to ensure that the insurer handles these matters fairly under the terms of the policy, meaning that they should properly consider the evidence available in making their decision. I am satisfied that this was done in relation to both of these claims.

For the one involving the three vehicles it's clear that Mr D's son made contact with the other party when changing lanes and caused damage. While a third vehicle may have caused the incident, the only way that Mr D's son would be able to avoid a claim against him is if the insurer could reasonably argue that the driver bringing the claim was wholly responsible for the collision. That clearly wouldn't be possible here. The only other alternative would be for Great Lakes to argue that liability should be split. That wouldn't make any difference to the record against Mr D's son but would include a fault claim against the other driver. Great Lakes felt that it was unable to argue that as the right outcome and I think that they were entitled to do so and did not act unfairly in so doing.

In relation to the claim relating to the minor collision in a car park, Mr D feels that there's no evidence that his son caused any damage. In this instance Great Lakes were provided with a claim from the third party some time later and Mr D's son then confirmed that he had been involved in a collision with a stationary vehicle, which would clearly have been his fault. I understand Mr D's concern that as the claim was made several months after the incident it could be one in which later damage, unrelated to the incident, is being claimed for. But, again, Great Lakes has the right to conclude a claim as it sees fit. And in this case it was confronted with a claim for an incident which Mr D's son confirms occurred and for which it was disadvantaged by not being made aware of at the time by either Mr D or his son. If it had been aware then it could have actively pursued the other insurer for information at the time. While I understand why Mr D's son didn't notify the insurer, the fact remains that it later received a claim which it is satisfied is consistent with a low speed collision and it's chosen to settle the claim under the terms of the policy. It's my view that it hasn't acted unfairly and had little choice in this case than to settle the claim as it has.

I know that Mr D feels that poorly worded letters, errors on date records of calls, and comments by Great Lakes representatives about poor quality outsourcing staff, all point to a lack of professionalism which he argues carries over to the handling of the claims. While any such issues are regrettable I don't feel that any of those concerns justifies my upholding his complaint. I've explained in detail why that is the case. For clarity I would also say that these issues were ones raised by Mr D in his exchanges with this service rather than specifically being the purpose of his complaint. I don't see anything that justifies my making any ruling under this complaint about these issues of alleged poor service.

I should also explain that while I understand that he has felt confused about which business he has been dealing with it is not for this service to dictate to an insurer how it manages the outsourcing of its operational delivery. Suffice to say that I haven't found anything on that issue which justifies making any award in Mr D's favour.

My final decision

My final decision is that I do not uphold this complaint against Great Lakes Insurance SE.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 14 February 2025.

John Withington
Ombudsman