

## **The complaint**

Mr and Mrs K complain that Great Lakes Insurance SE unfairly declined a claim they made under their home insurance policy.

Mr and Mrs K are joint policyholders. As most of the communication relating to their claim and complaint has been from Mr K, I'll refer mainly to him in my decision.

Great Lakes is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agents. As Great Lakes has accepted it is accountable for the actions of the agents, in my decision, any reference to Great Lakes includes the actions of the agents.

## **What happened**

In late 2023, Mr K contacted Great Lakes' home emergency response team because his roof was leaking, following heavy rainfall. Mr K says Great Lakes took 48 hours to send a representative over, who then told him he wasn't a roofer and couldn't access the roof.

Great Lakes advised Mr K to hire his own roofing contractor to deal with the issue. Mr K was sent a follow-up email asking him to send any roofing invoice to its payments team. The email said the policy provided cover for roofing up to the policy limit.

Mr K arranged for quotes and instructed a contractor to complete repairs at a cost of over £10,000. Mr K provided the invoice, photographs and the original roof guarantee to Great Lakes who carried out a desktop assessment.

After Mr K complained about a lack of progress, Great Lakes told him verbally that it was rejecting the claim. Mr K raised a further complaint, but Great Lakes maintained its position regarding the declinature of his claim. It said there hadn't been any storm conditions in Mr K's local area on around the time of the incident. There was no evidence of storm damage to the roof and Mr K's own contractor had confirmed wear and tear had taken place. So, Mr K asked our service to consider the matter.

Our investigator thought Mr K's complaint should be upheld in part. He didn't think Great Lakes' decision to decline the claim was unfair because he wasn't persuaded the damage had been caused by a peril the policy covered. However, the investigator thought Great Lakes communication regarding Mr K's home emergency cover was unclear and this had resulted in a loss of expectation. So, he recommended Great Lakes pay Mr K £200 for distress and inconvenience.

Great Lakes accepted our investigator's recommendation. However, Mr K disagreed with his outcome. Mr K said he believed the substantial rainfall and resulting damage met the policy definition of 'flood'. He disagreed that the damage was due to wear and tear and commented that it was within its 10-year warranty period.

Mr K said the costs he incurred were necessary for temporary repairs to prevent further damage and requested a re-evaluation under the home emergency section of the policy.

Mr K also didn't feel the £200 compensation our investigator had recommended was sufficient. He said the delay and confusion had a profound impact on his and Mrs K's mental health and daily family life, as evidenced by the continued water damage and mould inside their home.

As Mr and Mrs K disagree with the investigator's outcome, their complaint 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.

Having done so, I've reached broadly the same conclusions as our investigator. I'll explain why.

I've considered everything Mr K has told our service, but I'll be keeping my findings to what I believe to be the crux of his complaint. I wish to reassure Mr K I've read and considered everything he has sent in, but if I haven't mentioned a particular point or piece of evidence, it isn't because I haven't seen it or thought about it. It's just that I don't feel I need to reference it to explain my decision. This isn't intended as a discourtesy and is a reflection of the informal nature of our service.

### Storm peril

When a policyholder makes a claim, the onus is on them to show that an insured event caused the loss or damage. Mr and Mrs K's policy provides cover for loss or damage caused by an event listed in it. For their loss to be covered, it would need to fall under one of those events. If it doesn't – then the claim isn't covered and won't be settled. So, I've needed to consider whether Mr and Mrs K have shown that an event listed in the policy caused the damage.

Mr and Mrs K say the damage to their roof happened during a period of bad weather. So, I've firstly considered if the damage was likely to have been caused by the storm peril.

When our service looks at storm damage claims, we ask three questions. These are:

- Do we agree that storm conditions occurred on or around the date the damage is said to have happened?
- If so, is the damage being claimed for consistent with damage that a storm typically causes?
- Were storm conditions the main or dominant cause of the damage?

If the answer to these questions is 'yes', then the claim is likely to succeed. But, if the answer to any of the above questions is 'no' – the claim for storm damage is unlikely to be covered.

The policy's terms and conditions define "storm" as:

*"An unusual weather event with persistent high winds over 55mph, and often associated with rain, thunder, lightning or snow."*

This is similar to our service's view on what constitutes storm conditions. So, I think Great Lakes' definition is reasonable.

Mr K says his roof started leaking during exceptional heavy rainfall on the night of 28 October / morning of 29 October 2023.

Great Lakes has provided weather reports for the week leading up to when Mr K first reported the damage. Mr K has provided weather data from a sailing club near where he lives for the month of October. I've also checked weather reports for the 28/29<sup>th</sup> October and several weeks leading up to it. The reported wind speeds were much lower than 55 mph on all of the dates I've looked at.

I have seen evidence of heavy rainfall on the night Mr K has said the damage occurred, but the absence of high winds mean that storm conditions weren't met. So, I think it was reasonable for Great Lakes to conclude that the damage to Mr and Mrs K's roof wasn't covered by the storm peril.

### Flood peril

Mr K believes his claim should be covered under the flood peril.

The policy's terms and conditions define "flood" as:

*"Invasion of the property by a large volume of water, caused by a rapid build-up or sudden release from outside the buildings."*

Mr K says the rainfall was sudden and heavy, leading to a rapid accumulation of water on the flat roof which then invaded the interior of his property. The flood section of a home insurance policy is generally understood to cover damage caused by a build-up of water at ground level or below. But I acknowledge what Mr K has said about this, and I can understand how the rainwater might have pooled on the flat roof while it was raining.

However, it isn't enough for Mr K to show that an insured event occurred. In order for his claim to be covered, he would also need to demonstrate that the event caused damage to his property.

Great Lakes' surveyor wasn't able to physically inspect the damage to the roof when assessing the claim as the repairs had already been carried out. So, he carried out a desktop assessment using a description of the damage from Mr K's roofer and photographs of the roof before and during the repairs.

The roofer noted the following:

*"... the current felt covering has broken down beyond repair and I therefore suggest replacing with a new three layer high performance felt system.*

*Its [sic] also clear that some of the decking substrate has become rotten due to prolonged water ingress we will need to replace all of the decking sheets but wont [sic] find this out until the felt covering is removed.*

*We will need to erect scaffolding to the rear of the house to store removed solar panels whilst the work is carried out."*

Great Lakes surveyor concluded that any issues with the roof were wear and tear related. He's commented on some historic sealant repairs to the roof perimeter and tears visible on one of the photographs. He considered that any rainfall around the incident date had merely highlighted pre-existing issues with the roof covering.

Mr K has remarked that the roofer provided comments in the context of providing a quote rather than in an inspection report. However, these comments come from an expert who looked at the damaged roof, so I think this is relevant information. And I haven't seen any expert evidence to contradict what the roofer or Great Lakes' surveyor has said. The references to felt "*breaking down*" and decking substrate becoming rotten due to a "*prolonged water ingress*" suggest that the damage happened gradually, rather than as a result of a sudden, one-off incident such as a storm of flood.

The terms and conditions say the policy doesn't cover:

*"Wear and tear*

*Loss, damage, liability, cost or expense of any kind caused directly or indirectly by or resulting from:*

- *Wear and tear, depreciation, repairs necessary in the normal course of maintenance, corrosion, rusting, damp, insects, vermin (except for the cover described under the Home Emergency section), fungus, condensation, fading, frost or anything which happens gradually, the process of cleaning, dyeing, repair, alteration, renovation or restoration."*

I understand the roof was only nine years old and Mr K disputes the damage being caused by wear and tear. But rainfall, which isn't accompanied by high winds, rarely causes damage to a well-maintained, structurally sound property. Based on what I've seen, I'm more persuaded by what Great Lakes has said. I think it's more likely that the bad weather in late October 2023, highlighted a pre-existing issue with the condition of Mr and Mrs K's roof, rather than being the main cause of the damage.

#### Accidental damage

I've also considered whether the internal damage to Mr and Mrs K's home is covered under the accidental damage section of the policy. However, this excludes damage caused by "*water entering your home other than by storm or flood*". So, unfortunately for Mr and Mrs K, this isn't covered either.

#### Temporary repair

The home emergency section of the policy says that in the event of a home emergency, Great Lakes will "*pay the cost of a temporary repair that stops the emergency situation, including the parts and call-out charges, for the following circumstances: ...*"

Under "*roofing*" it says there is cover for:

*"Any repairs that are necessary to make the roof of your home watertight, preventing further damage."*

Mr and Mrs K's policy schedule shows that the sum insured for home emergency cover is £1,500.

Mr K says the Great Lakes representative who visited the property a couple of days after he reported the damage told him to hire his own roofing contractor to deal with the issue. He's provided a copy of the follow-up email he received from the home emergency team which says:

*“Further to our conversation earlier, can you please send any roofing invoice to our payments team (email address).*

*Having looked into this policy further, it DOES cover roofing up to your policy limit:*

*Any repairs that are necessary to make the roof of your home watertight, preventing further damage...”*

Mr K says he then arranged quotes and engaged a contractor for repairs. Mr K decided to replace the flat roof at a cost of over £10,000.

Mr K says the costs incurred were necessary for temporary repairs to prevent further damage. The scaffolding and removal of solar arrays were essential for safe access to the roof surface to conduct any repairs.

I appreciate Mr K feels Great Lakes should contribute to the cost of his new roof. But I think it's clear from the policy's terms and conditions that only temporary repairs are covered under the home emergency section of the policy.

From what I've been told, Mr K didn't arrange for any temporary repairs to be carried out on his roof. He arranged for his contractors to carry out permanent repairs. While I understand why he felt this was necessary in the long term, I'm not persuaded that replacing the flat roof was the only way of preventing further water from entering the property in the short term.

As Mr K didn't arrange for any temporary repairs to be carried out to the roof, he didn't incur any additional costs here. So, I can't tell Great Lakes to pay him anything under the home emergency section of the policy.

#### Distress and inconvenience

Great Lakes hasn't explained why it didn't assist Mr K with temporary repairs when he made his home emergency claim. It's also not clear if it gave Mr K any advice on what repairs he should arrange to prevent further damage to his property.

While I'm satisfied that home emergency cover was only for the cost of temporary repairs, I think Great Lakes communication with Mr K should have been better here. Mr K says he believed that Great Lakes had authorised repairs to his roof in the email I've referred to above. So, I can understand how disappointing it was to later be told that his claim was declined in its entirety.

Mr K has also complained about a delay in assessing his claim and a lack of communication. He says he made a number of calls to chase progress. The surveyor verbally informed him that Great Lakes was rejecting his complaint on 2 January 2024, but he didn't receive written confirmation of this until 12 January.

Great Lakes has acknowledged a delay in providing Mr K with an official decision regarding his claim. It says this was down to an IT issue and has apologised for this.

I appreciate Mr and Mrs K have found this situation distressing, both emotionally and financially. However, I've already explained why I'm not persuaded Great Lakes is responsible for covering the cost of repairing their roof or the internal damage to their property.

I think Great Lakes' communication should have been better and it should also have provided Mr and Mrs K with an outcome to their claim a bit sooner. However, Great Lakes has accepted our investigator's recommendation to pay Mr and Mrs K £200 for distress and

inconvenience. And I think this sufficiently recognises the impact of its poor customer service on them. So, while I appreciate this will be disappointing for Mr and Mrs K, I don't require it to do anything further.

### **Putting things right**

Great Lakes should pay Mr and Mrs K £200 for distress and inconvenience if it has not already done so.

### **My final decision**

For the reasons I've explained, I uphold Mr and Mrs K's complaint and direct Great Lakes Insurance SE to put things right by doing as I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K and Mrs K to accept or reject my decision before 21 August 2024.

Anne Muscroft  
**Ombudsman**