

The complaint

Mr B and Mrs B complain about Great Lakes Insurance UK Limited (“Great Lakes”). They want Great Lakes to increase their settlement offer and pay them compensation.

What happened

Mr B and Mrs B insured their home contents with Great Lakes.

In late 2023, whilst on holiday, Mrs B’s engagement ring was damaged. It is a gold and white gold ring with three claw set stones. One stone, a diamond, was lost and the claws for that stone were damaged. The other two stones remained in place.

Mr B and Mrs B submitted a claim on their home insurance.

Great Lakes asked for the ring to be sent to their retained assessors. Mr B and Mrs B did not want to send it through the post, due to its great sentimental value. They sent photographs to Great Lakes to verify the loss.

They also took the ring to a local jeweller, who was part of the jewellers’ network used by Great Lakes. That jeweller noted that there were signs of wear to the ring and recommended that the stone be remade, at a cost of around £2650.

Great Lakes’ assessor prepared a report. This detailed that the loss covered by the policy was for repair of the ring only, and it did not cover loss through wear and tear. It considered that the setting could be repaired with new claws and a replacement diamond, for £1210.

Great Lakes offered to have its retained jeweller carry out the repair, or that it would cash settle based on the report conclusion, so that Mr B and Mrs B could put that cash towards a remade ring if they preferred.

Mr B and Mrs B were not happy with that offer. They thought that the ring would be at risk of further damage or loss if it was not remade.

They accepted the cash settlement in December 2023.

They also submitted a request to Great Lakes for the recordings of their calls and complained to Great Lakes about the level of settlement.

Great Lakes responded to the complaint in February 2024. It partially upheld the complaint on the basis that it had not provided sufficient updates through the process, but it maintained its assessment of the settlement value.

Mr B and Mrs B were not happy and contacted us.

Great Lakes delayed in providing the call recordings to Mr B and Mrs B, so they asked us to also consider a complaint about the delay in sending these.

Our investigator obtained consent from Great Lakes to look at the delay in sending the call

recordings, and looked into the complaint.

They considered that Great Lakes had unreasonably delayed in sending the call recordings, but that this did not affect the claim, as these had been requested after the decision on the claim, and after the final response had been issued by Great Lakes. The investigator considered that Great Lakes' offer was in line with the policy terms and was reasonable. The recommended that Great Lakes pay £100 compensation to Mr B and Mrs B for the delay in sending call recordings.

Great Lakes accepted that view.

Mr B and Mrs B did not accept that view and the matter was passed for an ombudsman 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.

I appreciate why Mr B and Mrs B are upset in this situation. From their perspective, they have been told by a jeweller that the best course of action is to have a remade ring, and they feel that this is the best way to safeguard and repair their much-loved item.

However, I agree with my colleague, and I think that Great Lakes' offer is reasonable.

Mr B and Mrs B's policy covered accidental damage. It didn't extend to indemnifying wear and tear to the ring, as this isn't the function of insurance.

Having reviewed the photographs and report, I can see that some other claws on the ring show signs of wear and so it was reasonable for Mr B and Mrs B's jeweller to make this recommendation, but that does not mean that Great Lakes should be liable for the full remake of the ring.

Great Lakes' assessor, having spoken with Mr B and Mrs B's own jeweller, was confident that a replacement stone could be sourced, and new claws could be fitted to the existing setting. It offered to carry out that repair itself, or alternatively to cash settle for the amount that it would have cost the assessors to carry out the repair (£1210, minus the policy excess).

This was the extent of Great Lakes' liability for loss from accidental damage, and it made both offers to Mr B and Mrs B (of a repair or a cash settlement so that Mr B and Mrs B could elect to have more extensive work done). This was fair and reasonable and in line with both the policy terms, and our approach to cash settlements.

I also agree with my colleague that there were shortcomings in Great Lakes' handling of Mr B and Mrs B's request for their call information, but that this did not affect the outcome of the claim. I am satisfied that the recommendation of £100 compensation for this is reasonable and in line with other awards we would make, and I am pleased that Great Lakes has accepted this recommendation.

I appreciate that Mr B and Mrs B feel that more compensation should be paid to them, but in the circumstances I do not agree. I hope the above explains why I have reached that view.

I therefore partially uphold the complaint, and direct Great Lakes Insurance UK Limited to pay the £100 compensation recommended by my colleague. I do not criticise its decision on

the settlement of the claim.

My final decision

For the reasons set out above, I partially uphold Mr B and Mrs B's complaint and direct Great Lakes Insurance UK Limited to pay to Mr B and Mrs B £100 compensation for delays in sending information.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mrs B to accept or reject my decision before 9 June 2025.

Laura Garvin-Smith
Ombudsman