

The complaint

Mr and Mrs H were unhappy when Great Lakes Insurance UK Limited (“Great Lakes”) wouldn’t provide information related to their No Claims Discounts (NCD) when they renewed their policy. Great Lakes were providing a home insurance policy.

What happened

When Mr and Mrs H’s policy was due for renewal, they wanted to understand the value to them of protecting their no claims bonus. Mr and Mrs H could see the additional premium they needed to pay to specifically protect their no claims bonus and they understood certain parameters where they could make a claim knowing when it wouldn’t impact their NCD. However, the policy documents Mr and Mrs H received didn’t explain how much in percentage terms the NCD was (or the amount saved on their premium). In other words, Mr and Mrs H couldn’t work out whether there was value in protecting their NCD or not, so they didn’t feel they could make an informed decision.

Great Lakes said it can’t quantify the level of discount provided by a NCD, as this is commercially sensitive information and is determined based on all information available to them. Great Lakes consider claims history, the type of claims that may have been made, frequency of any claims as well as any other factors available for a customer looking to purchase home insurance. Great Lakes provided assurance that when a customer has NCD, a discount is included within the final price of the policy.

Our investigator decided not to uphold the complaint. She said the information is commercially sensitive and thinks Great Lakes has reasonably explained there are several factors that impact home insurance premiums now and these can continue to be dynamic. Mr and Mrs H disagreed, so the case has been referred to an ombudsman.

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 have sympathy for Mr and Mrs H’s viewpoint here. I think it’s beneficial to consumers for insurers and brokers to be as transparent as possible when it comes to explaining what products they’re selling and for what price. I agree with Mr and Mrs H that they weren’t provided any information from Great Lakes for them to make an informed decision about the benefits to them of purchasing protection to their NCD.

However, it’s not my role here to advise or instruct Great Lakes or insurers how to sell their products or to set out what information they must share with consumers during the sales journey. My role is to say whether I think Great Lakes has acted fairly and reasonably and has acted within the rules set out by the Financial Conduct Authority and relevant legislation.

I’ve found this complaint a hard one to decide on. I completely understand where Mr and Mrs H are coming from. However, having discussed this with colleagues internally who are experts in this area, I’ve concluded that I don’t uphold this complaint. I appreciate this will be disappointing for Mr and Mrs H, but I do hope my reasoning will help to explain why I have

reached this decision, even if I agree with Mr and Mrs H that there is opportunity for Great Lakes to improve their process and provide a better customer experience.

In short, Great Lakes hadn't set out a table to show the NCD that would correspond to claim free years – so Mr and Mrs H couldn't see the potential impact of the NCD (or paying to protect the NCD). Great Lakes wouldn't provide Mr and Mrs H details of the NCD they were currently benefitting from.

Great Lakes said *"[we] are unable to quantify the level of discount provided by a No Claims Discount (NCD), as this is commercially sensitive information and is determined based on all information available to [us]. [We] consider claims history, the type of claims that may have been made, frequency of any claims as well as any other factors available for a customer looking to purchase home insurance. For assurance, [we confirm] when a customer has NCD, a discount is included within the final price of the policy"*.

Our service can't require an insurer to provide a table or similar, as that would stray into regulation. Great Lakes is allowed to decide whether to give a NCD, to what extent it gives a NCD, and to charge as it wishes.

Insurers are also entitled to give discretionary discounts as they please. I'm persuaded that Great Lakes doesn't have a simple NCD percentage it can share, as the way it calculates this is on a dynamic basis and dependent on many factors. So, asking Great Lakes to share an NCD figure may lead it to providing a figure (or percentage) that it can't fulfil. And, even if Great Lakes could give a figure for the NCD that Mr and Mrs H has benefitted from this time, that won't tell Mr and Mrs H what the impact of a change of NCD might be – especially if it changes regularly.

So overall, I thought it came down to this: Mr and Mrs H were offered a price and could accept, reject or negotiate that offer – if they thought the lack of an NCD table meant they couldn't decide whether to buy the policy (and whether the NCD protection cover) was worth it, they didn't have to buy it and could choose to shop elsewhere.

So, I don't think Mr and Mrs H have suffered any loss from Great Lakes' business practice. That been said, if Mr and Mrs H had bought the NCD protection, and in the future they didn't feel they had received any value from the additional premium they had paid, or the value wasn't proportionate to what they had paid, then I think Mr and Mrs H would be able to raise a complaint to have this investigated. And if Great Lakes couldn't provide evidence that Mr and Mrs H had benefitted reasonably, then I think there would be a case of mis-sale on the NCD element.

I hope I've clearly explained my position on this complaint and why I haven't upheld it.

My final decision

My final decision is that I don't uphold this complaint. I don't require Great Lakes Insurance UK Limited to do anymore.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 2 February 2026.

Pete Averill
Ombudsman