

The complaint

Mrs F complains about the service received by Great Lakes Insurance UK Limited during a claim on her buildings insurance policy.

Throughout the claim and complaint process, Mrs F has had a representative helping her. In this decision, any reference to Mrs F includes the actions and comments of her representative.

What happened

Mrs F had a buildings insurance policy with Great Lakes. In November 2023, Mrs F contacted Great Lakes as she was having issues with her boiler pressure dropping which was believed to be due to a leak. A complaint was raised in August 2024 due to delays in the claim being resolved. A further complaint was raised in January 2025 as Mrs F was unhappy with the settlement that had been offered. Great Lakes upheld both complaints and awarded Mrs F a total of £500 compensation. Mrs F was unhappy with the amount of compensation and brought the complaint to this service.

Our investigator thought Great Lakes' offer was fair in the circumstances. Mrs F appealed. She still didn't think the offer was fair. As no agreement could be reached, the complaint has been passed to me to make a final decision.

Because I disagreed with our investigator's view, I issued a provisional decision in this case. This allowed both Great Lakes and Mrs F a chance to provide further information or evidence and/or to comment on my thinking before I made my final decision.

What I provisionally decided – and why

I previously issued a provisional decision on this complaint as my findings were different from that of our investigator. In my provisional decision, I said:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Based on what I've seen so far, I intend to uphold Mrs F's complaint.

When considering complaints such as this, I need to consider the relevant law, rules and industry guidelines. The relevant rules, set up by the Financial Conduct Authority, say that an insurer must deal with a claim promptly and fairly. So, I've thought about whether Great Lakes acted in line with these requirements with how they handled Mrs F's claim.

At the outset I acknowledge that I've summarised her complaint in far less detail than Mrs F has, and in my own words. I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I'm satisfied I don't need to comment on every individual point to be able

to reach an outcome in line with my statutory remit.

There is no dispute that the service provided by Great Lakes should have been better. The dispute is around whether the compensation awarded is fair and reasonable in the circumstances. However, I also understand that payment of both compensation and part of the claim settlement is yet to be paid, so I also intend to tell Great Lakes to make payments of these.

I've considered the compensation awards, and I agree with our investigator that I think they're fair and reasonable in the circumstances. Whilst I appreciate the claim has been ongoing for some time, I don't think the entire length of time is due to avoidable delays by Great Lakes. As a service, we provide guidance on our website as to how we assess compensation for distress and inconvenience. I've used this when considering the compensation awards. Our investigator can provide a link to Mrs F should she wish to read it and can't find it.

I appreciate that it must have been frustrating for Mrs F due to the avoidable delays by Great Lakes, delays in making payments, missing part of the claim and incorrectly calculating the claim offer. Although this is a distilled version of events, I've considered everything in the round and I think Mrs F has been caused considerable distress, upset and worry which has taken a lot of extra effort to sort out over several months. In line with our website guidelines, I think the £500 compensation is fair and reasonable in the circumstances.

Mrs F has raised some specific points in response to our investigators outcome which I'll respond to.

I'm sorry to hear about Mrs F's health. She suffered from a condition which can be linked to stress. Whilst I'm in no way playing down the impact of this on Mrs F, I've seen no evidence to confirm that this condition was caused solely by any issues caused by Great Lakes. So, I'm not able to consider it as part of this complaint. Mrs F has also said her husband suffered from a fall and sustained a fracture. Mr F isn't a policyholder and as such I'm not able to consider the trouble and upset caused to him.

Mrs F has also raised that the compensation for the second complaint should be greater because Great Lakes didn't learn from the first complaint. This isn't how we assess compensation. We review the issues alongside the distress and inconvenience caused and the length of time. The second complaint period was from January 2025 to March 2025. At this point the repairs had been completed and Mrs F was just waiting on payment. So, I would expect the compensation to be less for this complaint.

Mrs F has raised about the delay in receiving payment and suffering a financial loss. I do agree with this point. In their claim notes, Great Lakes confirm the damage due to the leak can be covered under the accidental damage part of the policy in early-August 2024. Mrs F provided invoices for the work in mid-September 2024. In mid-October 2024, an offer was made for the trace and access part of the claim, but not the repairs. An offer for the repairs was made in January 2025 but this had been incorrectly calculated. The correct settlement amount for the repairs was finally made in early March 2025. Our investigator has asked why an interim payment hasn't been paid to Mrs F. Great Lakes said this was because they hadn't heard from Mrs F and needed her bank details. However, I don't agree. Great Lakes already had Mrs F's bank details, as a payment was made in November 2024 for the trace and access element of the claim. So, I intend to tell Great Lakes to pay Mrs F interest on the settlement figures."

I set out what I intended to direct Great Lakes to do to put things right. And gave both parties the opportunity to send me any further information or comments they wanted me to consider

before I issued my final decision.

Responses to my provisional decision

Mrs F confirmed she didn't agree with my provisional decision. She was unhappy with the amount of compensation award and provided some additional information to be considered.

Great Lakes responded but didn't confirm if they agreed with my provisional decision or not. However, they said they didn't hear from Mrs F on the payment offer and the onus was on her to contact them. They accept that they could have chased Mrs F. They've confirmed payment has now been paid and only compensation and interest would be due.

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've thought carefully about the responses to my provisional decision. Having done so, while I appreciate it will come as a disappointment to Mrs F, my conclusions remain the same. I'll explain why.

Great Lakes have said they couldn't make payment without completing security and sanction checks and this can only be done on hearing from Mrs F. However, Mrs F has said she has now received the payment without contacting Great Lakes. As per my provisional decision, Great Lakes had payment details for Mrs F and it's unclear why these checks couldn't have been done without acceptance from Mrs F. As Great Lakes had also already made a payment to Mrs F, I would assume these checks would have been done previously already. In addition, Great Lakes could have chased Mrs F but didn't. So, I see no reason to depart from my provisional decision based on Great Lakes' response.

Mrs F has said her husband's fall caused her distress and inconvenience and it also had a financial impact. Whilst I accept this was the case, it doesn't change my outcome. Mrs F said her husband tripped over a stall which had been moved due to the hole in the floor. I really am sorry to hear about the injury to Mr F, but I can't say that Great Lakes were responsible for it happening.

Mrs F has also said she suffered two unusual medical episodes, which are believed to have been minor transient ischaemic attacks. Again, I'm sorry to hear about Mrs F's health, but I haven't been provided with evidence to confirm the medical episodes were definitely caused by stress and were solely caused by Great Lakes' handling of her claim.

Mrs F has also stated she's still having issues with Great Lakes and wants this considered in this complaint too. I'm bound by what Great Lakes have investigated as a complaint. We're not claim handlers and can't include every new issue as it develops. Should Mrs F continue to be unhappy with Great Lakes, she would need to raise a new complaint with them.

Both parties have confirmed payment for the outstanding work has now been paid and received. So, I'm removing this from my redress. However, I've not received any information for the reasons above which leads me to depart from the rest of my provisional decision.

Putting things right

To put things right, I intend to tell Great Lakes to do the following:

- Pay Mrs F £500 compensation

- Pay 8% simple interest* on £1,283.48 from the date in November 2024 when the trace and access payment was made to the date of final settlement.

* If Great Lakes considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs F how much it has taken off. It should also give Mrs F a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

My final decision

For the reasons I've explained above, I uphold this complaint and direct Great Lakes Insurance UK Limited to put things right by doing as I've said above, if they haven't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 17 December 2025.

Anthony Mullins
Ombudsman