

## **complaint**

Mr P complains that Great Lakes Insurance SE declined his home emergency insurance claim and about its service. My references to Great Lakes include its agents.

## **background**

Mr P contacted Great Lakes to make a claim on his home emergency insurance. He told Great Lakes the boiler was working but making static noise. He turned off the boiler as he was concerned about his family's safety. He says his professional training meant he broadly knew what the problem might be and the potential risk of the boiler staying on.

Great Lakes said the boiler hadn't failed or broken down completely so the claim wasn't covered by the policy. It offered to send an engineer to confirm but it required Mr P to give payment details upfront for a call out charge. If the boiler was unsafe, had to be turned off and failed completely it wouldn't charge for the call out. Mr P declined as he thought he should be covered by the policy.

Great Lakes told Mr P it would speak to its contracted engineer to get confirmation the static noise presented no safety risk. Its engineer said the boiler would be safe to use but an engineer should attend as there was a fault. Great Lakes' contracted engineer wrongly thought Great Lakes had accepted the claim and arranged to attend Mr P's property the next day. Great Lakes realised the error and cancelled the visit.

Mr P contacted Great Lakes the next day. He'd been expecting an engineer to attend. Great Lakes then spoke to the boiler manufacturer who confirmed the boiler was safe to use which Great Lakes passed on to Mr P.

Mr P complained to us. He was concerned that Great Lakes had based its advice on incorrect facts, which he detailed, and the engineer didn't attend as planned. He sent an invoice for the boiler's private repair which showed the printed circuit board had short circuited creating a 'potential fire risk hazard'. He wanted Great Lakes to pay the claim and review its procedure which he believed was unsafe.

Our investigator thought Great Lakes fairly declined the claim but it should pay Mr P £100 compensation for the distress and inconvenience its poor service had caused.

Mr P accepted our investigator's recommendation. Great Lakes offered £50 compensation which Mr P didn't agree so the matter has been passed to me for decision.

## **my findings**

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

I partly uphold this complaint. On the information I have Great Lakes acted fairly in not accepting the claim but it must pay Mr P £100 compensation. I'll explain why.

The policy covers 'a complete breakdown or failure of the primary heating system'. On the information Mr P gave Great Lakes and the information it had from its engineer and the boiler manufacturer I think it acted reasonably in understanding that there hadn't been a complete breakdown or failure of the boiler.

The boiler worked before Mr P turned it off. The engineer told Great Lakes there was a safety cut off switch that would cause the boiler to shut down if unsafe and the correct manufacturer for the boiler also told Great Lakes the boiler was safe.

Great Lakes reasonably thought it had enough information to decline the claim. It also acted fairly in offering to send an engineer if Mr P gave it payment details as the policy says:

*'where it is not possible to validate your claim at the time of initial notification, you may be required to leave (payment details) which maybe debited in the event that the cost of the call out are not covered by this insurance'.*

Great Lakes has also told us that as it understood the boiler was functioning and safe the situation didn't meet the policy definition of 'emergency':

*'a sudden and unforeseen situation which if not dealt with quickly would result in damage that would otherwise be unstoppable and:-*

- i. render the property unsafe or insecure; or*
- ii. damage or cause further damage to the property; or*
- iii. cause excessive discomfort, risk or difficulties for or to you.'*

The invoice for the private repair doesn't give me enough evidence to show that, contrary to the advice of Great Lakes' engineer and the boiler manufacturer, the boiler did have to be turned off immediately for safety.

So on the evidence I have there was no emergency and no complete failure or breakdown of the boiler. Great Lakes fairly declined the claim.

However, Great Lakes accepts that in some respects it gave poor service. I've seen its comments but I don't think £50 is enough compensation.

Mr P was worried about his family's safety and turned his boiler off to protect them. Great Lakes then told him as there were no fault codes on his boiler it was safe to use. But it had never asked Mr P for, and he had never given, any fault code so he was understandably concerned Great Lakes was acting on wrong information. Although Great Lakes did speak to the correct boiler manufacturer about safety, at one point it gave Mr P the wrong manufacturer's name which added to his concerns about Great Lakes' reassurance about safety.

Great Lakes clearly should have told Mr P that it had cancelled the engineer visit he was expecting.

Overall £100 is a fair amount to recognise Mr P's distress and inconvenience Great Lakes' poor service caused.

### **my final decision**

I partly uphold this complaint.

I require Great Lakes Insurance SE to pay Mr P £100 for his distress and inconvenience caused by its poor service within 28 days of us telling it Mr P accepts my final decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 10 June 2019.

Nicola Sisk  
**ombudsman**