

The complaint

Miss B and Mr R complain that Lloyds Bank General Insurance Limited has unfairly refused to cover undamaged items under the matching sets section of their home insurance policy.

What happened

Miss B and Mr R made a claim under their home insurance policy for accidental damage to their sofa and carpet following a spillage.

Lloyds accepted the claim and offered a voucher towards a like for like sofa.

Miss B and Mr R had concerns that a new sofa wouldn't match their snuggle chair and footrest due to them fading over time. As they've paid extra for matching sets cover, they asked Lloyds to replace the undamaged items.

Lloyds rejected this part of the claim, on the basis that a reasonable match had been offered.

Miss B and Mr R didn't think this was fair, so they brought their complaint to our service. But our Investigator didn't uphold it. He was satisfied Lloyds' decision was in line with the policy terms and conditions, and it hadn't treated Miss B and Mr R unfairly.

As Miss B and Mr R didn't agree, the 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.

Miss B and Mr R have paid for home insurance plus, which has 'matching sets' cover. The terms and conditions of this cover say:

We'll pay claims for:

Any undamaged item from a matching set if we're unable to repair or replace it to reasonably match the set. We'll either replace the undamaged item or have changes made in order to make it match. The undamaged item must be part of the same set you're claiming for.

When we say 'reasonably match' we mean something that's similar but not exactly the same. If we're not able to repair or replace it, we'll pay to replace the whole set or make changes to make it match.

It's not in dispute that the sofa, snuggle chair, and footrest are part of a matching set. So if the sofa can't be repaired or replaced to reasonably match, Miss B and Mr R are entitled to either a replacement of the snuggle chair and footrest, or have changes made to make them match.

Lloyds has offered a voucher for a like for like replacement. And our Investigator has found that the exact same sofa is available for sale at the original retailer, in the same colour.

Miss B and Mr R say that as the snuggle chair and footrest have faded over time, a brand-new sofa isn't going to match the set. Whilst I do appreciate the point they've raised, I'm not persuaded that this means Lloyds must replace the whole set. I say this because the policy only offers them a reasonable match – not an exact match. And the exact same sofa is more than a reasonable match – it's an exact match.

Furniture fabric does fade over time and even furniture brought at the same time can fade at different rates depending on how much it is used or where it's located. For example, a sofa facing a window may fade quicker than its matching set which is away from the direct sunlight. Likewise, a sofa that's used more than a matching chair, may fade more quickly.

Based on the information provided to me, I'm satisfied Lloyds' have handled the claim in accordance with the policy terms and conditions by providing Miss B and Mr R with a reasonable match. I don't think its decision not to pay for a replacement of the undamaged items is unfair or unreasonable in the circumstances.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B and Mr R to accept or reject my decision before 29 May 2024.

Sheryl Sibley
Ombudsman