

The complaint

Miss F complains that Society of Lloyd's ("SoL") refused to pay a claim she made under a personal accident policy.

For ease, any reference to SoL includes its agents.

What happened

Miss F has a personal accident policy which is underwritten by SoL. This is provided as part of a group policy through her employer.

In December 2023, Miss F had an accident which caused damage to her teeth. In April 2024 she made a claim under the personal accident policy for dental treatment required following this incident. The claim was declined as SoL said that there wasn't any cover for dental treatment under the policy.

Unhappy with this response Miss F complained to SoL. She said that information provided on her employer's benefits system stated that dental injuries were covered by the policy. SoL reiterated that the policy wording showed that it didn't provide cover for dental treatment, however, it did note that information about the benefits on the employer's system was incorrect. As a result, SoL made an offer of £200 as this was the benefit available for fractures under the policy – which it said was in line with the type of injury Miss F has incurred. Following further contact, SoL issued its final response to Miss F, in which it confirmed there was no cover for the claim but recognised that she had suffered a loss of expectation and so increased the offer of compensation by a further £100.

Miss F remained unhappy with this outcome and brought her complaint to this service. Our investigator looked into that matter but found that the policy didn't provide cover for dental treatment so didn't think that SoL needed to pay the claim. She also said that, although there was an error in the text on the employer's system, the offer of £300 was fair and reasonable.

Miss F didn't agree with our investigator. She said that she had been sold a policy which advised that there was cover for dental injuries. And therefore, it is more than a loss of expectation. She feels that SoL should be considering the claim in the circumstances. As no agreement could be reached, the matter 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.

The relevant rules and industry guidelines say that insurers must handle claims fairly and promptly and shouldn't unreasonably reject a claim. I've taken these rules into account when deciding what I think is fair and reasonable in the circumstances of Miss F's complaint.

I've firstly looked at the policy terms and conditions. There is a scale of benefits listed for injuries caused by accidents such as the loss of limbs, permanent disablement, or an

amount payable if the accident leads to death. This scale shows the percentage of the cover limit for each type of injury. There are also fixed benefits for other types of injury, including bone fractures. But the policy doesn't include any cover for dental treatment. Miss F's claim is for replacement crowns and implants. Based on the coverage available within the policy terms and conditions, I'm satisfied that Miss F's claim for dental treatment isn't covered by the policy and so SoL's decision to decline the claim is reasonable.

I've noted that Miss F has argued it should be considered as a type of head injury and has specifically referred to the cover provided for removal of jaw. SoL said this wouldn't apply as the dental treatment isn't a permanent disability and I'm inclined to agree that the injuries sustained following her accident don't fall into that category, nor do I think it would be reasonable to compare them to the removal of the jaw. So, I don't think this section applies to her claim.

Miss F has provided a copy of information detailed on her employer's system in relation to the benefits available through this group scheme. This excerpt is titled 'At a glance' and goes on to provide a short explanation of the cover. Within this it does mention that it provides cover for dental injuries. Miss F says that cover for dental injuries was partly the reason why she took this benefit out.

SoL has confirmed that this wording on the employer's system is incorrect. And, whilst there isn't cover under the policy for dental injuries, it has offered a sum of £200 which is equivalent to the amount under the policy for a fracture, which it says is the nearest comparable section. And it has also paid an additional £100 as compensation for the loss of expectation Miss F suffered when she found out that these types of injuries aren't covered.

I've thought about this very carefully. I fully appreciate that Miss F believed that her claim would be covered when she read the brief summary provided on her employer's system. But it is important to point out that this policy is a group policy. The policyholder is Miss F's employer, and her employer provides this cover as an option for employees as one of the benefits of their employment. The decision on the cover included would have been made when her employers took out the cover. And whilst it is unfortunate that the explanation of the cover provided on her employer's system wasn't clear, the policy terms and conditions were available for her to review. I'm satisfied that it is made clear in the policy the type of injuries covered and the benefits available for those injuries. I'm not persuaded that SoL needs to pay the claim as a result.

Taking everything into consideration, I'm satisfied that SoL has acted fairly and in accordance with the policy terms when declining this claim. And the payment of £300 in total as compensation for the loss of expectation is reasonable.

My final decision

For the reasons stated above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 6 November 2024.

Jenny Giles
Ombudsman