

The complaint

Mr and Mrs N have complained that AWP P&C SA (AWP) rejected a claim under their home emergency insurance policy when Mr N found himself and his children unable to get into their house because of a faulty lock.

References to AWP include its agents and administrators.

I previously issued a provisional decision in this matter. I received further comments from AWP which I'll refer to below.

What happened

Mr and Mrs N have a home emergency insurance policy with AWP which covers emergency assistance in certain circumstances. On 1 March 2024 Mr N found himself locked out of his house. At the time he had his two young children with him. It was raining heavily and getting dark. He says he phoned AWP twice to ask for help but AWP wouldn't arrange for this as the property was secure and it didn't consider the fact that he was locked out to be an emergency. He had to find his own locksmith who charged £250 plus VAT and says he had to find alternative accommodation for three days.

Mr N says he'd had a similar incident on 17 April 2021 when his main door lock key got stuck and he couldn't open the door. He says his house was also secure on that occasion but he received help from AWP. This experience led him to believe he was covered if he was locked out of his house.

He raised a complaint with AWP on 12 March 2024 and asked it to reimburse the £250 plus VAT he had to pay his locksmith with an additional £500 compensation for the inconvenience suffered.

In response to Mr N's complaint, AWP referred Mr N to the terms of his policy, specifically the definition of an Emergency, which is defined as:

"A sudden and unforeseen domestic situation which, if not dealt with quickly, will:

- make your home unsafe or insecure*
- damage, or cause further damage to your home or its contents*
- result in your home losing its main source of heating, lighting or water."*

The Terms and Conditions relevant to doors and locks state, under "What is covered":

"Security and glazing

Failure of, or damage not caused by you to, outside locks, doors or windows which means that your home is no longer secure".

AWP said it understood that the situation that Mr N found himself in required urgent action, but that this did not constitute an emergency in line with the policy terms. In addition, as his home was still secure, this would fall outside of what is covered by the policy. It said that his

claim in 2021 was settled incorrectly. It has paid Mr N £50 as a gesture of goodwill. This sum approximately equates to one year's home emergency insurance premium.

Mr N wasn't satisfied with AWP's response to his complaint and brought it to this service. Our investigator's view was that as the failure of the outside lock didn't cause Mr N's home to be no longer secure, AWP had declined his claim fairly in line with the policy terms and conditions. She didn't consider that AWP should be expected to honour a claim because a previous claim had been honoured incorrectly.

Mr N didn't agree with our investigator's view and says that it was based on incorrect information as to the reason why the lock wouldn't work. He says he couldn't get into his house because the lock was damaged, and that a damaged lock renders his home insecure.

He also argues that AWP is not being consistent in the application of its policy terms which haven't changed since 2021. His claim should therefore be honoured under the policy term that states that it covers damage to locks that means that a home is no longer secure.

As Mr N didn't agree with our investigator, his complaint was referred to me as an ombudsman for a final decision from this service. I issued a provisional decision upholding Mr N's complaint.

In response to my provisional decision, AWP argues that a faulty lock has to actually compromise security, and not just have the potential to do so. It also argues that there is a distinction between the situation leading to Mr N's successful claim in 2021 and his current one. Mr N didn't comment on my provisional decision.

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.

In coming to my final decision, I have to consider whether AWP has acted fairly and in line with its policy terms and conditions. I've therefore looked at these carefully. I've taken into account AWP's response to my provisional decision.

I've taken into account the policy term that AWP has referred to when declining Mr N's claim. In my view it is clear from the policy wording that it is aimed at the security of a property rather than the inconvenience of being locked out. It specifically refers to failure of, or damage to, locks which impact on the security of a home. Lockouts due to the lack of a key would therefore not be covered.

I've listened to the various telephone conversations that Mr N had with AWP on 1 March, 4 March, 11 March and 23 March 2024. On 1 March, the day when he was locked out, he made two calls to AWP in quick succession. In the first call, he says that his lock seems to be damaged and isn't opening. The call then ends suddenly. Mr N called again. In the second call, he says that he can't open his front door and is stuck outside with the keys. He is asked if his home is secure, and he says he can't get in. He is then told that his policy only covers him if he can't close or lock the doors, and if his property is secure and he's just locked out, his policy won't cover him. From these conversations I think it is clear that Mr N had his house keys but the lock wasn't working.

Mr N has provided a copy of the invoice he received from his locksmiths on 2 March, the day after he contacted AWP. This states:

“We arrived on site to notice that the front door was not locking anymore, we discovered that the mechanism was faulty and needed replacing”.

Mr N has explained that his locksmith had had to let him into the house after removing the handle and the lock as the key wouldn't work. The door would not lock back as the locking system was faulty.

Mr N maintains that a faulty lock renders a property insecure and that this therefore satisfies the criteria for cover stated in his policy. I consider that to be reasonable. But AWP maintains that as Mr N couldn't get into his property, it was secure and therefore the policy doesn't cover him. I don't consider that to be reasonable.

In my provisional decision I said that in my view a faulty lock has the potential to compromise security. In its response, AWP argued that it has to actually compromise security. I don't consider that to be a persuasive distinction. Mr N's locksmith recorded that the lock mechanism was faulty and the door wasn't locking anymore. The lock needed to be replaced and until it was, Mr N's home was insecure. I don't consider it matters what side of the door Mr N was on if the lock was faulty and the door couldn't be locked.

AWP addresses Mr N's reference to having received assistance in April 2021. On that occasion, Mr N's key got stuck in the lock and he couldn't open the door. AWP settled that claim but has now said that it appears that he received assistance incorrectly. However in my view the situation was very similar in March 2024 – the door couldn't be opened, but the house was secure. In both cases the lock was compromised which in my view affects security. Neither case involved a lockout due to the absence of a key, a situation which would not fall within the terms of the policy.

I'm also not persuaded by AWP's argument in response to my provisional decision that the fact that Mr N's key was stuck in the lock in 2021 presented a greater security risk because it was visible. I maintain my view that there appears little to distinguish between the facts of the 2021 claim and the current claim, so settling the current claim would achieve consistency which is important to achieve fairness.

I'm therefore going to ask AWP to pay Mr N £250 plus VAT to reimburse him for what he had to pay his locksmith, and to pay him an additional £100 as compensation for the inconvenience he suffered in having to make his own arrangements to have his faulty lock replaced. Mr N has also said that he had to find alternative accommodation for three nights but I've not seen any information or evidence relating to this, and it appears his lock was repaired on or before 2 March.

In concluding, I should address Mr N's comments about the view of our investigator and the conduct of her investigation by saying that it is not my role to look into alleged failures identified by Mr N on the part of our investigator or others within this service. My role is confined to looking afresh at the information and evidence provided by Mr N and by WPA and forming a view as to where the balance of evidence lies and what the fair and reasonable outcome should be.

My final decision

For the reasons I've given above, I'm upholding Mr N's complaint.

I require AWP P&C SA to pay Mr and Mrs N £250 plus VAT in reimbursement of the locksmith's costs, and £100 compensation for the inconvenience suffered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N and Mr N to

accept or reject my decision before 5 December 2024.

Nigel Bremner
Ombudsman