

The complaint

Mr L and Mrs L have complained that ARAG Legal Expenses Insurance Company (ARAG) unfairly dealt with a claim under their home emergency policy.

As Mr L mainly seemed to deal with the claim and complaint, for ease, I will normally only refer to him.

What happened

Mr L had a burst mains pipe at his home. The water company investigated and identified its likely location, which was within the ground beneath the kitchen units. So, Mr L contacted ARAG to send an engineer to deal with the leak.

Following the engineer's visit, Mr L complained. He said the engineer had arrived late and didn't have the correct pipe with him. The engineer also said it wasn't his job to gain access to the broken pipe. Mr L said the policy didn't say it excluded gaining access. He wanted ARAG to refund the cost of a plumber he had arranged to carry out the work and some compensation.

When ARAG replied, it said the engineer's report said excavation of the concrete would be required to deal with the pipe and trace and access. The policy didn't cover this. It apologised for the delay in the engineer visiting. It offered £20 compensation.

So, Mr L complained to this Service. Our Investigator didn't uphold the complaint. She said the engineer's report said trace and access was required. This wasn't covered by the policy. It wouldn't be practical for a policy to describe everything it didn't cover. But, ARAG had correctly directed Mr L to contact his home insurer. She said the £20 compensation it offered was fair for the delay and communication issues experienced.

Mr L didn't agree, including because he said trace and access not being covered under the home emergency policy was a significant exclusion that hadn't been highlighted to him. So, the complaint was referred to me.

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.

Having done so, I don't uphold this complaint. I will explain why.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. So, I've thought about this complaint in that context.

I've looked at the policy booklet for Mr L's home insurance cover. This explained what the buildings and contents elements covered and that this basic home emergency cover was

also included, with the details of the home emergency cover listed in a separate policy booklet. Under the buildings insurance cover, it said this included trace and access.

ARAG's engineer visited because there was a burst mains pipe. The engineer assessed that the concrete floor would need to be excavated, as well as digging outside the property. Following this, ARAG told Mr L he should contact his home insurer as there wasn't trace and access cover under the home emergency policy. Mr L arranged his own plumber to do the work. I note the invoice Mr L has provided said "*Isolated water supply and excavated area to expose pipe*". So, both ARAG's engineer and Mr L's plumber said excavation was required.

I'm aware Mr L has said the home emergency policy didn't say there was no cover for trace and access. However, I wouldn't expect a policy to list everything it doesn't cover. I also don't think it's particularly unusual for home emergency cover not to include trace and access. I think it was reasonable that ARAG directed Mr L to the buildings insurance cover and is what I would have expected it to do. In the circumstances, I also think it's reasonable that ARAG didn't take any further action on the claim.

Mr L was also concerned by delays and poor communication with his claim. ARAG accepted there had been issues and offered £20 compensation. Based on what I've seen, I think that was fair in response to the issues with the claim. I don't uphold this complaint or require ARAG to do anything else in relation to it.

My final decision

For the reasons I have given, it is my final decision that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L and Mr L to accept or reject my decision before 13 March 2025.

Louise O'Sullivan
Ombudsman