

The complaint

Mr J and Mrs J have complained that Lloyds Bank General Insurance Limited trading as Halifax (Lloyds) provided them with misleading information when they renewed their home insurance policy.

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

What happened

Mr J took out a home insurance policy with Lloyds. When the policy was due to renew, Mr J contacted Lloyds to discuss the renewal premium. He also asked if home emergency cover was included. The call agent said it was included but was a separate policy and payment. Mr J agreed to renew the policy.

Mr J later contacted the home emergency provider to make a claim. The home emergency provider said he hadn't renewed the policy. So, Mr J arranged his own plumber to deal with the issue.

Mr J complained to Lloyds and said it should refund his plumber costs. He said he had been given incorrect information by Lloyds when he renewed the policy. When Lloyds replied, it said the information it had provided was correct but that the call agent could have been clearer. It offered £50 compensation.

So, Mr J complained to this Service. Our Investigator didn't uphold the complaint. He said Lloyds had explained the home emergency cover was a separate policy and the payment for it was taken separately. Mr J was also aware he had received a separate letter, and made a separate payment, for the home emergency policy cover. He said the £50 compensation offered was fair for the issue with Lloyds' communication.

Mr J didn't agree. He said it was clear from the phone call that he had been misadvised. 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.

Mr J phoned Lloyds to discuss his renewal premium. I've listened to that phone call. Mr J and Lloyds discussed the renewal and Lloyds offered a lower premium. Mr J was satisfied with the new price. He asked whether that included the home emergency cover because he had been sent two letters and had assumed it was all bundled into one. The call agent said *"the home emergency cover is classed as a separate policy. So, it is included, but they take the payment out as a separate payment"*. Mr J said that was ok and was what he thought. He confirmed again he was happy with the premium. The call agent said Mr J would receive documents that said he had the same cover and at a discounted price.

Mr J has said that what the agent said was misleading, including because he said "*it is included*". But looking at this in context, Mr J had already confirmed he had received two letters about the policy renewal. The agent said the home emergency cover was a separate policy and was taken as a separate payment. I don't think the agent had any reason to think Mr J needed further information or clarification to understand that the home emergency cover was a separate policy.

I've also looked at the home insurance renewal documents Mr J was sent. These didn't say home emergency cover was included. The documents explained that, if this cover had been selected, the home emergency cover provider would send those documents. Mr J has confirmed he received the documents from the home emergency company. It was then for Mr J to read those documents and the home insurance documents to ensure the required cover was in place. Mr J has also said he was aware he made a separate payment for the home insurance and the home emergency policies.

So, having looked at what happened, in my view, it was fair for Lloyds to decide its agent provided correct information. I also don't think I can fairly say it was responsible for Mr J not following up with the home emergency provider, which meant there was no cover when he tried to make a claim. I also don't think Lloyds needs to cover the cost of Mr J's plumber.

I think the £50 compensation Lloyds offered for any communication issues was fair in the circumstances. I don't uphold this complaint or require Lloyds 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 J and Mr J to accept or reject my decision before 17 April 2025.

Louise O'Sullivan
Ombudsman