

The complaint

Ms S complains that Society of Lloyd's ("Lloyd's") unfairly declined her laptop claim under her home insurance policy.

What happened

Ms S held a home insurance policy underwritten by Lloyd's. She made a claim in January 2024 after her laptop stopped working. Lloyd's loss adjuster arranged for their repair agents to inspect the device; but noted there was missing and incorrectly fitted screws and signs of liquid damage to the power button and motherboard. On that basis, Lloyd's declined to cover the claim, saying the damage wasn't consistent with a sudden accidental event and would instead fall under the policy exclusion for mechanical or electrical breakdown.

Ms S disagreed and raised a complaint, saying the laptop had no liquid damage before she sent it in and that it could have been damaged in transit or during inspection. She also said she believed being asked to send the laptop in meant the claim had already been accepted.

Lloyd's considered the complaint but didn't uphold it. They said it was reasonable for them to inspect the laptop before accepting the claim and concluded that the decline was in line with the policy's terms. They also said they didn't find any evidence that the courier had caused damage and said any issue in transit would need to be raised with the delivery company. Ms S remained unhappy with the response to her complaint – so, she brought it to this Service.

An Investigator looked at what had happened but didn't recommend that the complaint should be upheld. She said the policy didn't cover mechanical or electrical breakdowns, and there was no evidence of accidental damage or mishandling. The Investigator concluded that she thought it was reasonable for Lloyd's to require an inspection before confirming cover under the policy and didn't think the claim needed to be paid or that compensation was due.

Ms S didn't agree with the Investigator's conclusion. She said she had been under the impression that her claim had been accepted when she was asked to send the laptop in. And she said Lloyd's should have clearly stated and explained this before she sent the laptop in for an inspection.

Ms S asked for an Ombudsman to consider the complaint – so, it's 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.

Having done so, I've reached the same overall conclusion as the Investigator for the reasons they have already given, and I do not uphold this complaint.

I want to start by setting out what I will be looking at as part of my decision. I'm aware Ms S has brought a separate complaint about damage occurring to her laptop when it was returned to her, which this Service has already considered separately. That means I won't be making any findings about that complaint in this decision. However, as both complaints arise out of the same set of background events, there may be instances where I refer to background information that overlaps the complaints. As such, this decision will be focusing on whether Lloyd's fairly declined the claim, as well as whether I'm satisfied they provided clear claim information to Ms S.

Miss S reported that her laptop had stopped working and made a claim under the *accidental damage* section of her policy with Lloyds, who appointed repair agents to inspect the device in order to confirm whether the claim could be accepted or not. The repair agent's report found that the laptop showed evidence of tampering, with missing and incorrectly fitted screws, liquid ingress to the power button, SD card, and the motherboard. On that basis, the claim was declined, and Lloyd's said the issue was consistent with breakdown rather than accidental damage and that no insured event had occurred that the policy covered. Ms S disagreed, saying there hadn't been any liquid damage before she sent the laptop in for inspection, and she thought the request to send in meant her claim had already been accepted.

I've reviewed the relevant policy wording, and under the accidental damage section cover applies to "*...unexpected and unintentional damage or breakage to your contents within the home by a single and one-off event resulting from a sudden and external means.*" But the policy excludes damage from mechanical or electrical faults or breakdown. From what I've seen, the repair agent's findings are clear and consistent with a component failure rather than an external event. In these circumstances, I think Lloyd's acted reasonably in relying on the repair agent's report and in applying the exclusion to the claim.

I appreciate Ms S says she was confused about the claim process, and I accept she may have believed sending the laptop in for inspection meant the claim had been accepted. But I think it is generally fair that insurers are entitled to inspect an item before confirming whether there is cover under a policy.

The relevant industry rules say that Lloyd's was obliged to provide Ms S with information that was clear, fair, and not misleading, in line with ICOBS 2.2.2R. The correspondence Ms S was sent said the claim had been "registered" and requested further information. I haven't seen anything in Lloyd's correspondence that said or implied the claim had already been approved. And so, it follows that I don't find that there were any significant communication failings here.

I recognise this has been a disappointing experience for Ms S; but based on the available evidence I'm satisfied Lloyds acted fairly and in accordance with the policy's terms when declining the claim and communicated with her fairly.

My final decision

For the reasons I have given above, my final decision is that I do not uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 26 November 2025.

Stephen Howard
Ombudsman