

## **The complaint**

Mr K has complained about the service provided by Financial & Legal Insurance Company Limited ('F&L') under his home and emergency breakdown policy, regarding a failure of the water system at his home.

For the avoidance of doubt, the term F&L includes reference to its agents, representatives and contractors for the purposes of this decision letter.

## **What happened**

Mr K experienced intermittent problems with the water system at his home and reported this to F&L during late 2024 as he held a home emergency insurance policy with F&L at the relevant time. The fault led to periods when there was no running hot water and no running cold water in most of the taps, and this was at a time when Mr K had health issues which meant that he needed reliable washing facilities. He said that the problem often appeared first thing in the morning and lasted a few days at a time.

F&L engineers attended Mr K's home on three occasions. One visit took place whilst the fault was happening, but Mr K didn't feel that the engineer had tried to try to find the cause. On the second visit, the water supply had returned, and Mr K asked the engineer to check a specific part, but this didn't happen. Mr K said that his complaints by phone and email weren't properly acknowledged. He asked for either a full refund of his policy fees and call-out charges, or reimbursement of the costs of his own plumber which he ultimately incurred. He made it clear that this was the first time that he'd made a claim with F&L.

F&L offered to reimburse one call-out fee of £60, however it otherwise didn't uphold Mr K's complaint. In the circumstances, Mr K referred his complaint to this service, and the relevant investigator upheld his complaint. It was his view that although the fault was intermittent, it amounted to an emergency and had a serious impact upon Mr K, especially given Mr K's personal circumstances. He thought that F&L should have done more to help its customer and to act more quickly and supportively than it did. It was his view that F&L should pay the costs of a local plumber of Mr K's choice to up to the limit of the policy cover and to pay £200 in additional compensation to recognise the stress and disruption caused to Mr K.

F&L didn't agree with the investigator's view and the matter has been referred to me to make a final decision in my role as Ombudsman.

## **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 key issue for me to determine in this case is whether F&L acted in a fair and reasonable manner under the relevant policy in relation to the fault reported by Mr K, and also in relation to the action it took in response to his complaint. I don't consider that F&L acted in a fair and reasonable manner in all respects, and I'll explain why.

In reaching this decision, I've also considered the submissions of the parties as summarised below. I turn firstly to Mr K's submissions. He felt that F&L had failed to provide a basic home emergency service, having failed to fix the fault which he felt would qualify as an emergency. He also complained that he'd had to chase the matter. In essence, he felt that the policy required F&L to provide a 'fix', but that it failed to even attempt this. He also said that F&L had demanded repeat call-out fees for the same fault which hadn't been repaired first time, so that the issue was ongoing. The second visit happened weeks after the first.

Mr K described the nature of the intermittent failure in relation to both hot and cold water. He said that F&L had sent a plumber, who failed to diagnose the problem. When the fault occurred again, F&L demanded a second call-out fee, however ultimately agreed to waive this and the fault cleared by the time the second plumber arrived. Mr K said that the plumber *'had no idea where to look and his manager insisted there was nothing he could do without seeing the fault again'*. Mr K felt that F&L should have sent a qualified engineer who was experienced in such systems. Following a call by Mr K, the plumber told him that the fault needed to be investigated further, however F&L didn't come back to him, and he was unable to speak to anyone in authority. He said he'd persevered with the loss of water in anticipation of assistance from F&L.

Mr K said that he'd made six complaints in a period of just over two weeks regarding this fault; *'but I have now stopped phoning'*. He said that the fault would be significant under normal circumstances, but he'd explained that he was elderly, had physical difficulties, and lived alone. At one point, he'd needed to take showers in connection with a medical procedure. He said he was *'reduced to strip washing with warm water from the kettle in a sink to meet the hospitals... requirements.'* In response to F&L's submission, Mr K stated that three engineers attended in total, and that one did witness the lack of water supply inside the home. One was a drainage engineer and the other an apprentice. The second attendee thought that he'd need to lift flooring, however, didn't then know what he was looking for. Following Mr K's research, he'd suggested to F&L the only component that could be causing the fault. He'd ultimately paid his own plumber to replace this component, however.

I now turn to F&L's submissions in response to Mr K's complaint. It stated that multiple engineers had attended, the second engineer being a plumber who found *'no issues on site, and everything was working fine'* with no leaks or blockages. The engineer said that Mr K had referred to the fault as being intermittent and the engineer explained that further investigation was required, involving lifting the flooring. Mr K was unwilling for this to proceed. F&L felt that this approach was *'already above the expectation of cover'*. It said that Mr K was insistent that the engineer check valves, but the engineer didn't identify any fault that would justify this approach.

As it had arranged for attendance by several engineers, F&L considered that it had made considerable efforts to assist. It said that under the policy wording, it would have been entitled to decline cover after the first visit, as the emergency was not present at that time, however, it had taken an additional step outside policy scope by agreeing to assist again if the problem persisted as Mr K was vulnerable. It added that *'after the initial visit, it was clear the fault would require further investigation, but the policy does not support delaying action until the fault reoccurs in order for it to fall within the definition of an emergency'*.

F&L referred to the terms and conditions of the policy and made it clear that it didn't cover tracing leaks where the source couldn't be ascertained, or where there was no visible evidence of a leak. It said that the policy didn't require an engineer to investigate faults that weren't present at the time of attendance. It stated that as the issue was intermittent, further investigative work wasn't covered, and it wouldn't usually *'dispatch engineers for other*

*customers under similar intermittent circumstances.*’ It further stated that the fault didn’t meet the policy’s definition of an emergency.

F&L stated that once it became clear that no immediate emergency was present, *‘to require the insurer to reimburse costs for issues outside the clear scope of the policy would...extend the cover beyond what was contractually agreed’*. It did however partly uphold Mr K’s complaint regarding multiple excess charges for the same issue. Given that the second call-out followed shortly after the first, it considered that it would have been fair to waive the additional excess payment. It therefore offered a refund of £60; however, it considered that the initial excess charge had been correctly applied. Finally, it also apologised for the delay in responding to Mr K’s complaint.

As to the investigator’s view, F&L considered that this wasn’t consistent with previous decisions of this service in terms of the definition of an ‘emergency’. It referenced one case where an investigator had issued a view where the complaint was rejected, as the policy wording required notification within 48 hours, and this didn’t occur. The view also stated that an intermittent fault wasn’t covered. F&L accepted that the facts of that case differed from this case, but it nevertheless considered the circumstances to be materially similar.

I now turn to my reasons for upholding this complaint. The starting point for complaints of this nature are the terms and conditions of the relevant policy which form the basis of the insurance contract between the consumer and insurer. The relevant policy deals with emergencies. Cover of this type doesn’t cover every eventuality or general maintenance of the property and its systems. An ‘*emergency*’ is defined as *‘a sudden and unexpected event which, if not dealt with quickly would in the reasonable opinion of the Claims Helpline Service: a) render the home unsafe or insecure; or b) damage or cause further damage to the home; or c) cause personal risk to you; or d) cause a health and safety risk to others.’*

As to the insured events which are covered by the policy, the policy states the following in relation to plumbing and drainage; *‘We will assist you in the event of an incident to your internal plumbing or external drainage system. Cover includes the replacement of leaking pipes, clearing blockages, repairing taps, restoring toilet facilities, leaking overflows.’* There is also a section of the policy which refers to the external water supply pipe, however in this case, it appears that the fault required a remedy inside the home. The policy also refers to standard exclusions such as *‘general maintenance’*. The key issue here is whether the intermittent fault came within the policy definition of an emergency.

Firstly, F&L argues that the fault here didn’t amount to *‘a sudden and unexpected event’* to qualify as an emergency because, as readily accepted by Mr K, the fault was intermittent. The policy wording doesn’t specifically deal with the question of intermittent faults in this context. Whilst I appreciate that policy wording can’t deal with every possible scenario, I consider (in the absence of very clear policy wording on the point) it fair and reasonable to say that on the first occasion when Mr K lost his hot water supply and most of the cold-water supply, this would have amounted to a sudden and unexpected event. There is also no reason to believe that Mr K didn’t immediately report this initial sudden and unexpected event to F&L, and F&L attended the incident but was unable to resolve the emergency.

Secondly, whilst the definition of ‘emergency’ confers a discretion upon F&L as to whether an event qualifies under the relevant ground, this discretion must be applied in a fair and reasonable manner. In this case, it was known that Mr K was vulnerable and undergoing medical treatment. It would therefore be fair and reasonable to conclude that lack of a supply of hot water could cause personal risk to Mr K in terms of his health needs.

Thirdly, the policy makes it clear that cover includes actions such as clearing blockages and repairing taps; however, it doesn’t specifically refer to faults in relation to pressure, being the

ultimately diagnosed problem. Nevertheless, the policy refers to actions as being *'included'* in the range of other actions which may be needed to resolve an emergency. Again, in the absence of clear policy wording, I consider that the provision should be read in a reasonable manner so as not to exclude other necessary action to resolve a qualifying emergency, such as installing a new component as in this case.

In the circumstances, I'm satisfied that on the first visit, F&L's engineer was attending an incident which did, on balance, qualify as an emergency, and that it had been unable to assist under the terms of the policy purchased by Mr K. I also consider that F&L's re-attendance and reference to further investigation following a further loss of water would have led him to believe that F&L was attending under the policy terms. I appreciate that F&L now claims that it had gone over and above the requirements of the policy by re-attending and offering to take up the flooring, however the raising of Mr K's expectations that the policy applied, does strengthen the view that the policy should be interpreted reasonably and widely in the absence of clear wording to the contrary. A second attendance would suggest that F&L accepted that it had failed to deal with an acknowledged emergency on its first visit.

Having considered a separate case to which F&L referred, I agree with F&L that the facts in that case were different to those in this case. I'm also satisfied that the circumstances are materially different. In that case, there was an additional element in terms of failure of the customer to report the initial issue within a specified timescale under the policy. The investigator there had concluded that an intermittent fault pointed to the need for maintenance at the property. In this case, however, I'm satisfied on the balance of probabilities, that the initial incident was reported to F&L promptly and did consist of a sudden event and an emergency, rather than a maintenance failure.

In conclusion, as F&L had failed to resolve the emergency or at least to provide a professional initial diagnosis of the cause of the water supply failure, I consider that it's fair and reasonable that it then covers the reasonable costs (up to the policy limit) of Mr K's plumber who was able to diagnose and resolve the issue by replacing the relevant component. These costs appear to amount to £425 in total, however, see the final decision below.

I also note that Mr K had to contact F&L on multiple occasions to try to obtain assistance, but he didn't receive timely or helpful responses. I'm satisfied that this will have caused additional stress and inconvenience for Mr K at a difficult time. I therefore conclude that F&L must ensure that the £60 goodwill offer has been paid to Mr K and must also pay an additional payment of £200 to recognise the stress and disruption caused to Mr K.

### **My final decision**

For the reasons given above, I uphold Mr K's complaint, and I require Financial & Legal Insurance Company Limited to do the following in response to his complaint:

- Reimburse Mr K the sum of £425 as specified in his engineer's invoice dated 27/08/2025 *(or alternatively, the sum of £500 if this final invoice doesn't include £75 previously raised in an invoice dated 20/03/2025 regarding diagnosis of the fault)*.
- Pay Mr K £200 in compensation for the distress and inconvenience caused (as well as reimbursement of the call-out fee of £60 if this hasn't already been paid to Mr K).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 14 November 2025.

Claire Jones  
**Ombudsman**