

The complaint

Mr D complains a claim was declined by Society of Lloyd's (SoL) on his leisure home insurance policy.

What happened

Mr D suffered damage to the boiler in his static caravan. He raised a claim but it was declined. Unhappy, Mr D raised a complaint but SoL didn't change their outcome. Still unhappy, Mr D brought the complaint to this service.

Our investigator didn't uphold the complaint. They didn't think SoL's claim outcome was unfair or unreasonable. Mr D appealed. He said SoL didn't attend the property, his engineer's comments were discarded and the claim wasn't handled promptly. As no agreement could be reached, the complaint has been passed to me to make a final 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.

When considering complaints such as this, I need to consider the relevant law, rules and industry guidelines. The relevant rules, set up by the Financial Conduct Authority, say that an insurer must deal with a claim promptly and fairly, and not unreasonably decline it. So, I've thought about whether SoL acted in line with these requirements when it declined Mr D's claim.

At the outset I acknowledge that I've summarised his complaint in far less detail than Mr D has, and in my own words. I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I'm satisfied I don't need to comment on every individual point to be able to reach an outcome in line with my statutory remit.

It's important to understand why the claim was declined under the policy terms and conditions. SoL have set out the following exclusion:

“6.7 Wear and Tear

Your insurers will not pay for damage caused by wear and tear or any other gradually operating cause”

When the claim was first logged, SoL's claim notes reported the following issue:

“Policy holder has advised that some of the rubber washers at the rear of the boiler have become distorted and damaged due to wear and tear and this had caused a leak.”

Unhappy with the claim being declined, Mr D arranged for comments from his engineer.

Mr D's engineer said the following:

“found excessive corrosion on rear of plate heat exchanger and heat exchanger support bracket which was creating a leak between the seals. In my opinion as a gas engineer of 25 years plus this is not wear and tear for a 3-year-old boiler as there are no moving parts.”

In the claim notes, it was first reported that the issue was caused by the rubber washers becoming distorted. In the engineers' comments, it's reported that corrosion caused a leak between the seals.

The rubber washers are replaceable parts. From literature online, it suggests they should be replaced regularly and have a lifespan of 3-10 years. Mr D has confirmed his boiler was three years old and would suggest the washers had come to the end of their working life. Whilst they might not be a moving part, I don't think this means they can't become worn out as they would still be subject to environmental degradation. Corrosion is caused gradually over time, it isn't a sudden occurrence. As both wear and tear and gradually operating causes are excluded under the policy, I don't think SoL's have unfairly or unreasonably declined the claim.

Mr D has said the claim was declined without a physical inspection. My understanding is the repairs had been completed before a claim had been raised. A physical inspection of the boiler wouldn't have provided SoL with any information. That said, a physical inspection doesn't always need to take place when assessing an insurance claim. I can see that SoL were provided with photos of the parts. I don't think it's unreasonable that SoL didn't physically inspect the boiler in this case. Mr D has said we haven't addressed his engineer's comments. However, I've commented already on this above.

Mr D has also complained about the service he received. SoL accepted the service provided wasn't to a satisfactory level. They awarded Mr D £100 for these failings in their final response letter. Having reviewed the service provided, I think the £100 compensation was fair and reasonable in the circumstances and so I don't think SoL need to do anything further on this point.

I'm very sorry that my decision doesn't bring Mr D more welcome news. But in all the circumstances I don't find that SoL has treated Mr D unfairly, unreasonably, or contrary to the policy terms and conditions in declining the claim.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint. I don't require Society of Lloyd's to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 13 April 2026.

Anthony Mullins
Ombudsman