

complaint

Mr H is unhappy about the level of compensation he's been offered after the Society of Lloyd's (Lloyd's) provided poor service when he made a claim under his home emergency policy.

background

Mr H has home emergency cover. Lloyd's has taken responsibility for this complaint, as Mr H hasn't been able to resolve his initial complaint with the company (which I'll call C) he dealt with at the time.

Mr H's boiler stopped working and he tried to contact C about this. He got no response, and says he spent the next couple of days continually calling C, but the phone wasn't answered. Eventually he asked a friend for advice. He found the problem was that the condensate pipe on his boiler was frozen. He tried pouring boiling water on the pipe but that didn't help. Then, on his friend's advice he cut the pipe – and got his boiler working.

C has Mr H's first call recorded 4 days after Mr H started calling.

When Mr H eventually got through to C, he was told an engineer would attend. He followed this up the next day and told C that the pipe had been cut. C says it told Mr H no engineer would attend because of this.

Mr H contacted C again a few days later and said the pressure in his boiler was fluctuating – so C agreed to send an engineer to look at it. The engineer attended about three days after this.

The engineer couldn't find anything wrong with the boiler, but he did advise Mr H to replace the old condensate pipe with a larger one, as that would likely prevent the freezing issue from re-occurring.

Mr H complained to C about the delay and upset this had caused him and his wife, both of whom suffer from ill health. C didn't uphold his complaint, but said Lloyd's would look at it if Mr H so wished. Mr H asked that this be done – but Lloyd's didn't answer his complaint, although it said it was working on it. Mr H came to us.

Our investigator thought Mr H's complaint should be upheld. She thought more should have been done when the policy was sold to let Mr H know that frozen pipes weren't covered. And she didn't think C or Lloyd's could rely on an exclusion in the policy that said it wouldn't cover issues where a third party had intervened before the contractor attended. She thought Lloyd's should pay for the repair to the pipe. She also thought Lloyd's hadn't provided good service and should pay £150 compensation.

Lloyd's accepted that it and C hadn't provided a good service so would pay the compensation. But it said it thought the terms and conditions were clear about what was or wasn't covered – so it didn't want to pay for the repair.

Mr H says he's accepted that, under his policy, frozen pipes aren't covered. But he remains unhappy about the service and thinks Lloyd's should have done more than it did. And he says it wasn't a "third party" intervention, as he cut the pipework himself.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr H says he's accepted that the original problem with his boiler – the frozen pipe – wasn't covered by his insurance. So I'm not going to look at that any further. He's less happy about the comments that a "third party" cut the pipe as he says he did that himself, albeit following advice from a friend. I accept what he says – but having read the part of the policy that refers to this I think it's clear that "third party" is anybody who isn't one of C's registered engineers. I think that includes Mr H.

Lloyd's has accepted that Mr H didn't get a good service when he reported the fault. So I'm going to concentrate on whether Lloyd's agreement to pay £150 compensation is fair, given the circumstances.

The way I do that is to look at what would have happened if the mistake(s) hadn't happened. If Mr H had got through to the contractor when he first tried, I think he'd have been told his insurance didn't cover frozen pipes. That's what happened when he did speak to the contractor, and I can't see any reason why he'd have been told anything else a few days earlier.

So Mr H would have had to try to find an independent engineer to sort out the problem. That's what eventually happened, and Mr H has had the pipe repaired. But he did experience a delay.

Mr H raised a second issue – which was that the pressure in his boiler was going up and down and he didn't know why – a few days later. I've listened to the calls about this, and I can hear Mrs H explain this to Lloyd's on March 6. Mr H also raises this point in his subsequent calls. It's clear that there's some confusion about whether this is a new issue – or a continuation of the original frozen pipe problem. I can understand why this happened, as both Mr and Mrs H did also refer to the original problem. But I do think Lloyd's could have clarified this earlier than it did, instead of assuming the only problem was the frozen pipe.

I think that delayed sending an engineer out and caused some inconvenience and worry for Mr H.

Overall I don't think Lloyd's provided the service Mr H should get. But taking everything into account I think the £150 recommended by our investigator is fair.

my final decision

My decision is that I uphold this complaint and I order the Society of Lloyd's to pay Mr H £150 compensation for the poor service provided.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 19 January 2020.

Sue Peters
ombudsman