

complaint

Mr P complains about the service he received from The Society of Lloyd's when he made a claim under his home emergency policy.

background

In early November 2015 Mr P's boiler broke down and he didn't have any heating or hot water. His household includes his elderly mother, so he was particularly concerned. He called Lloyd's, which arranged for an engineer to come out.

Lloyd's accepts there were two periods of delay in its engineers coming out to Mr P. It replaced some boiler parts but this didn't resolve the issue.

After around two and a half weeks Lloyd's engineer diagnosed there was sludge in the pipes, which was causing the boiler to overheat. Lloyd's explained that sludge, and damage caused by the sludge, wasn't covered under the home emergency policy. Mr P would need to pay for a power flush and to replace the damaged parts before it could do anything more.

Mr P felt he had no alternative but to replace the entire boiler. He asked Lloyd's to compensate him for the cost. Lloyd's explained that as his boiler had been reparable there wasn't cover under the policy for a new boiler. It paid him compensation of £230 (this included an earlier offer of a partial reduction in premium). Mr P wasn't happy and came to us.

Our adjudicator saw there'd been delays but thought Lloyd's had made a reasonable offer to resolve the complaint. Mr P didn't agree. He said it had been inhumane to leave his elderly mother in a cold house, with only one small heater, in breach of her human rights. He didn't agree the problem had been caused by sludge.

my findings

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

I think Lloyd's has made a reasonable settlement in this complaint. I'll explain why.

It's not in dispute that there were two periods of delay in the engineers calling out to Mr P. It took longer than it should have done to diagnose the fault. It took around two and a half weeks after Mr P first called Lloyd's out.

I've noted Mr P's concerns about the sludge diagnosis. But the evidence is that this was the engineer's conclusion, and that he showed Mr P the sludge. I've not seen anything to suggest this was an incorrect conclusion as Mr P suggests.

As our adjudicator has explained, Mr P's policy doesn't cover sludge in the pipes or damage caused to the boiler by the sludge in the pipes. This is set out clearly in the policy. So Lloyd's was right to say Mr P would have to pay for the power flush and replace the damage parts himself.

I can see why Mr P decided to replace the boiler. But I don't think Lloyd's has to pay for the new boiler under the policy, as the evidence is that the boiler was repairable. The policy says a replacement is covered only if the original boiler can't be repaired.

Unfortunately Mr P would always have been without heat and hot water for a period of time when the boiler failed. But Lloyd's delays extended this time.

It was understandably upsetting for Mr P that his mother was left in a cold house during this extended period, and caused him inconvenience as well. So it was right that Lloyd's paid him some compensation for this. But having looked at the overall circumstances I think £230 compensation was fair and reasonable. So Lloyd's doesn't have to pay any more.

my final decision

My decision is that The Society of Lloyd's has paid Mr P a fair amount of compensation, so I don't require it to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 6 January 2017.

Amanda Maycock
ombudsman