

complaint

Miss T complains about Society of Lloyd's ("Lloyd's"), handling of her claim in respect of a broken down boiler. She wants Lloyds to increase its offer of compensation to her.

background

I set out the background to this complaint in a provisional decision, issued in June 2019.

A copy of that decision is attached to this.

In that decision I explained why I thought Miss T's complaint should be upheld and that Society of Lloyd's ought to increase its offer of compensation to Miss T.

That provisional decision has been shared with the parties and they have had the opportunity to comment.

Miss T has responded, setting out that my conclusion in my provisional view that she had to store the old boiler for a long period was incorrect, and she in fact had to store the new boiler, until it could be installed.

She has also explained that in addition to the vulnerable people who lived in the home, she also had another couple and infant staying with her over the festive period. She therefore thinks that the compensation I recommended was insufficient and should be increased.

Lloyd's also responded to the provisional view. It set out that Miss T had only been offered its loss of use allowance for 21 days, rather than 38 days, because it was in place for a loss of heating, rather than heating and hot water, and Miss T had intermittent heating up until 17 December 2017.

Lloyd's argued that the compensation I had set out in my provisional decision was too much since it failed to take into account that Miss T had received a new boiler in place of her previous boiler which was 9 years old. Lloyd's also says that the fact that Miss T indicated that she was prepared to wait for the replacement part indicates that she was prepared for some inconvenience. Lloyd's therefore considers that the compensation I set out in my provisional decision is too high.

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 am grateful for the clarifications from Miss T and I appreciate that storing the new boiler which was yet to be installed was clearly necessary and required greater care around it, than storing the removed boiler.

I also am grateful for the clarification about the guests staying in the home. As compensation can only be awarded to reflect the distress and inconvenience suffered by the customer of the business, I cannot look at compensation for those individuals, although I appreciate that the anxiety and distress suffered by Miss T would have taken into account the additional vulnerable people staying with her.

I understand Lloyd's comments that Miss T has received a newer boiler through the relationship with Lloyd's, but do not consider that that is relevant to the level of compensation I should award. The decision to instal a new boiler was a choice for the business, applying the homecare policy as usual. Had nothing gone wrong, the installation of a new boiler would not have been taken into account as a factor against Miss T, so I do not see that it should affect my view after the service went wrong.

I also appreciate the explanation from the business about why the loss of use allowance had not been offered for the full period. It does not change my view, however, as Miss T only had intermittent heating during the additional period, and although the allowance was not intended to cover loss of hot water, in the circumstances, and taking into account the period that Miss T was without one or both services, I think it is reasonable that in this case the allowance should be paid for the full period when she was without one or both facility

Taking into account the additional comments, I consider that the level of compensation I set out in my provisional view remains appropriate. The comments from Miss T are helpful, but they do not affect my overall view of the level of distress and inconvenience that she suffered.

I therefore adopt my provisional decision and reasons as my final decision (in addition to these reasons).

my final decision

For the reasons set out above, and in my provisional decision, I uphold Miss T's complaint. I direct that Society of Lloyd's should pay to Miss T £380 for additional heating costs. It should also reimburse to Miss T £550 paid for the scaffolding.

If Society of Lloyd's has made any earlier payment to Miss T, it need only pay any additional, unpaid amount that the above compensation represents.

To any of the above redress that it has not already paid to Miss T, Society of Lloyd's should also add simple interest at a rate of 8%* per year from the date Miss T incurred these costs to the date of settlement.

Finally, and in addition, Lloyd's should pay to Miss T £400 compensation for her distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 26 August 2019.

Laura Garvin-Smith
ombudsman