

## **complaint**

Mrs B complains that the Society of Lloyd's (Lloyds) won't meet all her claim for damage and things lost during a burglary.

## **background**

I issued a provisional decision on this complaint in January 2019. A copy is attached and forms part of this decision.

In that I said I was minded to uphold Mrs B's complaint and order Lloyd's to reconsider her claim for damage caused during a burglary and also for items stolen at the same time.

## **my findings**

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

Mrs B says she accepts my provisional decision.

Lloyd's asked for clarification about what I meant when I said Mrs B was legally responsible for items kept at or left at her home. It says it asks this because the claim is for items Mrs B's son brought with him when visiting and it doesn't know if "legally responsible" would include those items.

The claim, from the evidence I've seen, covers things belonging to Mrs B and her son or sons –not just items brought into the home by one of her sons. I see no reason why Lloyd's can't reconsider the claim, taking into account any other relevant terms and conditions that might apply.

Based on the above I see no reason to change my provisional decision.

## **my final decision**

My decision is that I uphold this complaint. The Society of Lloyd's must now reconsider Mrs B's claim for repairs to her door and new locks, and her claim for items stolen in the burglary in accordance with any remaining policy terms and conditions.

The Society of Lloyd's must also pay Mrs B £500 for the way it's dealt with this claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 1 March 2019.

Sue Peters  
**ombudsman**

Copy of provisional decision issued January 2019

**complaint**

Mrs B complains that the Society of Lloyd's (Lloyd's) won't meet all her claim for damage and things lost during a burglary.

**background**

Mrs B was burgled in late 2016. Thieves broke into her home and stole thousands of pounds worth of items whilst she and her sons were asleep, including Christmas presents. Some of the items belonged to one of her sons.

Lloyd's said it wouldn't pay for items belonging to Mrs B's son (Mr K) as he wasn't a permanent resident in the UK and was only visiting at the time. Mrs B objected to that but Lloyd's wouldn't change its mind.

Lloyd's also said it would only pay for lock repairs to damaged patio doors. Mrs B says the repairs needed are much more extensive as the doors no longer function properly. Lloyd's says some of the damage is wear and tear – so for instance some of the sills are rotting – and Mrs B's policy doesn't cover that. Mrs B doesn't think that's fair.

Mrs B also says it's now nearly two years since she was burgled and the stress has made her ill. She says – amongst other things – that Lloyd's keeps asking for information she's already sent and doesn't progress her claim.

Our investigator thought some of Mrs B's complaint should be upheld. He suggested Lloyd's paid Mrs B £500 for the delays and the way it had handled the claim. And he said Lloyd's should pay just under £200 for new locks on the patio doors – but not for other repairs to these. He didn't think Mr K was a permanent resident at the address so agreed with Lloyd's that it didn't have to pay for items belonging to him.

Lloyd's agreed with this view. Mrs B doesn't think the compensation is high enough, and wants Lloyd's to pay for the patio doors in full and her son's belongings as she says he is a permanent resident.

**my provisional findings**

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

There are several parts to Mrs B's complaint. I'll deal with them each separately.

It might help if I first explain that both Mrs B and Lloyd's have made several attempts to get hold of a copy of the police report relating to this burglary. That hasn't been successful, so I'm writing this provisional decision without the benefit of the report.

Mrs B has agreed to that in order to avoid any more delay. Having said that, she says the report says she was burgled and the thieves got in through her patio doors. Lloyd's hasn't disputed either of these points, so I don't think the lack of the report will affect my decision.

*patio doors*

For clarity, these are the four large folding doors shown in the photos taken of Mrs B's house. They're at the back of the property and are wooden doors with glass panes that appear to be hinged so all four can be opened, although the lock is on the two centre doors. Mrs B says she's been told by various contractors that she needs to have all four doors replaced at a cost of about £2,239.

Lloyd's sent someone out to assess the claim in February 2017. The report produced says that it's likely the lock was forced with a screwdriver, and that there was some limited damage to the door. I've looked at the photos provided and there does seem to be some, relatively minor, damage to the door frame by the lock.

A later visit by a contractor suggests there was no damage, and that the lock should be replaced. There aren't any photos to support that.

I'm currently inclined to take the first report as the more accurate one – it has photos and it was completed not long after the burglary.

Lloyd's said it would pay for the lock to be replaced – and upgraded, as the existing one didn't comply with current security standards. It offered just under £200 for that. Mrs B didn't think that was enough, but she's only provided a quote for replacing the doors. There's no independent evidence that they were extensively damaged by the thief or thieves. The photos I have seen show that they weren't in the best condition before the burglary, and Mrs B's policy doesn't cover wear and tear that's built up over the years. It's possible that forcing the lock was the "last straw" and the doors won't now work properly. But I'm not currently persuaded the damage seen in the photos was enough by itself to be the only – or even the main – reason the doors no longer open properly.

I currently think Lloyd's should pay for the new lock as it suggested and for any minor damage around the lock.

#### *door locks*

Mrs B's sent us a quote to replace four locks – two on the patio doors and two on the kitchen doors. The quote is for much higher security locks than were in place on the patio doors. I wouldn't expect Lloyd's to pay for more locks than were originally in place. I'd expect it to replace the locks with similar ones, so long as they meet industry standards. It seems to me that's what Lloyd's offered to do on the patio doors.

Mrs B says the key to her kitchen door was stolen along with keys to the window locks. She says she hasn't been able to use the door properly since the burglary.

Lloyd's hasn't said anything about this, and it wasn't mentioned in the first report it got. I suggest it considers this part of Mrs B's claim. If it accepts this part of the claim then I'd expect it to replace the locks and/or keys with ones of a similar standard.

I have noted some contradictory notes on the insurer's file – it's been suggested some locks have been changed already. Other notes say nothing's had been done. I'd ask both parties to confirm what's been done to date.

#### *stolen items*

The policy Mrs B has mainly covers stolen items that belong to her family. The definition of family says, in summary, that this means relatives permanently resident at the address. There's been some debate about whether Mr K is permanently resident – it appears he works in the US and visits the UK several times a year.

Lloyd's says Mr K isn't on the electoral roll – but that in itself isn't enough to persuade me he's not permanently resident, as registration isn't compulsory. But neither does Mrs B's statement that Mr K has a UK bank account registered at the address, has a National Insurance number and is registered with a local GP. All of those things would indicate he lived in the UK at one point, or even that he plans to return at some time in the future. But he may not live here all the time now.

Mrs B says her son was a student in the US but returned home regularly. Her policy would likely cover his possessions in those circumstances. Mrs B has been unable to tell us when her son completed his studies, other than it was some time ago. I understand he's in his early thirties, so it might be up to ten years since he's been a student.

Mrs B says Mr K now works in the US, although he's employed by a UK based company. She says he visits regularly for a few weeks at a time. She told Lloyd's his visit in December 2016 was work related, including getting a work visa for the US. From the photos I've seen it seems he was combining that with a visit home for Christmas.

I don't currently think Mrs B's given us enough evidence to show Mr K does live with her permanently. He may be *entitled* to live in the UK as a UK citizen – but that's not the same as being here permanently.

Having said that, Mrs B's policy covers her for items stolen from her home which she either owns herself or for which she's legally responsible. I think that in the context of an insurance policy arranged for a consumer, it is reasonable to give the words 'legally responsible' the meaning that an ordinary consumer would attribute to them. I consider that a consumer would reasonably believe that they are responsible for contents in their home that they are holding or looking after for others. This being the case, my current view is that this element of the policy wording would cover stolen items owned by Mrs B's children that were kept at or left at her home. So I currently think Lloyd's should reconsider Mrs B's claim including items she was legally responsible for.

#### *evidence of ownership*

Mrs B says she's provided all the evidence she's been asked for to show either she or her son own the stolen items. I've only seen a couple of receipts and a few photos. That's from a list of nearly 50 items. I can see Mrs B sent Lloyd's some attachments to an email a while ago, which appear to be photos. I don't know if they are the ones I've already seen or different ones. If either Lloyd's or Mrs B has more evidence I'd ask that it's sent to us when they respond to this provisional decision.

#### *delays*

I can see that this claim has taken a long time. Although I think Lloyd's has caused some of this, and hasn't responded to Mrs B as it should, I can also see there were some occasions when it was trying to arrange things - like a phone call to progress the claim – and Mrs B couldn't make any of several suggested dates. Having looked at what both sides have said, I currently think the suggested £500 is a fair amount of compensation for the way Lloyd's has handled the claim. Lloyd's said it would pay this amount.

#### **my provisional decision**

I'm currently intending to uphold this decision. I'm intending to ask the Society of Lloyd's to reconsider Mrs B's claim for repairs to her door and new locks, and her claim for items stolen in the burglary in accordance with the remaining policy terms and conditions.

I'm also intending asking it to pay £500 for the way it's dealt with Mrs B's claim.

Sue Peters  
**ombudsman**