

The complaint

Miss M complained about Lloyds Bank General Insurance Limited. She isn't happy about the way it dealt with a claim under her home insurance policy.

Other companies have been involved in this complaint, but as Lloyds Bank are responsible for it, I've just referred to them in this decision.

What happened

Miss M made a claim under her home insurance policy after subsidence problems at her property. It took Lloyds Bank a long time to advance the claim and it is still ongoing. Miss M complained to Lloyds Bank about a number of issues which have been dealt with separately.

Miss M advanced this complaint, which solely focussed on the delay in dealing with her subsidence claim between 4 December 2020 and 30 July 2021 and the costs Miss M incurred for alternative accommodation (AA). Lloyds Bank accepted that it had provided some poor service and offered £50 by way of compensation, acknowledging some delay by its contractor in responding to Miss M. But as Miss M remained unhappy she complained to this service.

Our investigator looked into things for her and partly upheld her complaint. Although she didn't uphold Miss M's complaint about costs incurred for alternative accommodation (AA), she was of the view that Lloyds Bank had delayed the subsidence claim and failed to liaise with the third party which impacted on the timeliness of the claim as well. And so, she thought it should pay Miss M £350 by way of compensation.

As Lloyds didn't agree, believing that Miss M also contributed to some of the delay as she wasn't able to agree to some of the monitoring appointments, the matter has been passed to me for review.

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.

Having done so I think the complaint should be partly upheld. I know this will come as a disappointment to Lloyds Bank, but I'll explain why.

As Miss M seems to accept the investigator's position about the AA I don't propose to go over the finer detail of this here. I know Miss M felt that she needed to move to her own alternative AA, and I can understand why she felt this was more convenient and comfortable, but I agree that her own property was habitable. And so, I don't feel that Lloyds Bank need to do anymore about this.

Turning to the delays in dealing with the subsidence claim I agree that there have been a number of delays in dealing with the claim. As our investigator highlighted there was a delay in responding to the third party about the claim for a number of months when the information

that they were requesting was on file and easily accessible. It is difficult to say how this affected moving the claim forward, given the further monitoring delays that took place and are discussed below, but this clearly didn't help.

As outlined above, this complaint about delays in dealing with the subsidence claim and the cause of the subsidence relates to the period between 4 December 2020 and 30 July 2021. The actual claim was made in 2018 under Miss M's buildings insurance policy and the lack of progression has caused Miss M stress, worry and inconvenience, especially as she felt the need to move to an alternative property due to her health and safety fears.

In Lloyd's response to this complaint it offered £50 compensation as Miss M had to chase its contractor for a report. But it was waiting for a full report and the monitoring to be completed before providing its full response to the third party regarding the cause and level of the subsidence problem. Ultimately Lloyd's didn't identify any failings in how its contractor was advancing the claim.

But Miss M says that she has made several requests for the contractors to attend her property and monitor the damage caused in this case over the eight months that this complaint relates to. She just wanted the trees that were causing the problem removed and her claim progressed.

I know Lloyds Bank says its contractors suggest some of this was down to Miss M allowing access as she was on holiday at one point and couldn't make another of its proposed appointments. However, Miss M doesn't feel that she contributed to the delays and I would expect a greater degree of flexibility from Lloyds Bank's contractor here, especially as the matter has dragged on so long. Plus, there hasn't really been any explanation about why things weren't chased and advanced with Miss M generally and before the February period. And Lloyds Bank's response doesn't really explain the overall delay of eight months. Indeed, the monitoring took over a year and given the importance of it in allowing this claim to move forward that doesn't really feel fair.

Given all of this, and while I accept that subsidence claims can be lengthy, difficult, and generally more drawn out than other claims, I still think more could have been done here. So I think the £50 compensation doesn't really reflect the stress and inconvenience the ongoing delay caused Miss M. And as the dragged-out nature of the monitoring has caused a fair degree of unnecessary additional stress I feel £350 compensation feels fairer.

My final decision

It follows, for the reasons given above, that I uphold this complaint. I require Lloyds Bank General Insurance Limited to pay Miss M £350.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 29 April 2022.

Colin Keegan
Ombudsman