

The complaint

Mr and Mrs T complain about how Lloyds Bank General Insurance Limited handled their claim on their home insurance following an escape of water.

What happened

Mr and Mrs T had a home insurance policy with Lloyds. In June 2021 they had a leak from their bathroom and made a claim under the home emergency cover. A plumber attended to stop the leak and shortly after, drying and repairs were arranged.

However it took some time for the repair work to begin and there were problems in arranging alternative accommodation for Mr and Mrs T and their family. In October and November 2021 they made two complaints to Lloyds. These were brought to this service and reviewed under a separate complaint.

After this drying was completed, it took a number of months for repairs to begin. And once repairs were carried out there were a number of problems that needed to be rectified. In January 2022 a leak of black water from the toilet was discovered that was identified to have been due to poor workmanship from Lloyds' contractors.

There were further delays to Lloyds assessing the new leak and this led to a dispute about how the repairs would be settled.

Mr and Mrs T made two further complaints during this time as they were unhappy with how the claim had continued to be handled. They had been displaced from their home over the Christmas period and moved from one alternative accommodation to another. And they were unhappy that Lloyds' contractors had caused further issues that they then took some time to rectify.

Lloyds responded to Mr and Mrs T's complaints in February and March 2022 and upheld them. It offered a total of £650 compensation across the two complaints for the distress and inconvenience its contractors had caused through its poor service.

Mr and Mrs T weren't happy with these responses and asked this service to investigate.

Our investigator reviewed the issues and recommended the complaint be upheld. He thought Lloyds should pay an additional £150 compensation to make up for the distress it had caused.

Lloyds accepted our investigator's outcome, however Mr and Mrs T didn't. They asked for the matter to be reviewed by an ombudsman.

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.

In my assessment of this complaint I've looked at matters from the date of Mr and Mrs T's

previous complaint response in November 2021 until the final response issued by Lloyds in March 2022.

During this time, I can see that Mr and Mrs T were subject to further disruption and delay, on top of what they had already experienced in the claim. In particular:

- They were caused further disruption in their alternative accommodation after already having to move into a hotel. They then had to move between two further properties and were left uncertain about where they would stay on the lead up to Christmas. This would have been particularly distressing as there were seven family members that needed to be housed.
- After the initial repairs were completed further leaks were identified that were caused by the poor workmanship of Lloyd's appointed contractors. This included a black water leak from the toilet. These would have caused further distress and inconvenience and wouldn't have happened had Lloyds correctly rectified the issues in the first place.
- There were further delays in Lloyds assessing and repairing the additional leaks, which led to the claim extending far beyond when it should have been reasonably concluded.
- Mr and Mrs T were delivered incorrect belongings from storage on returning from alternative accommodation and this took some time to rectify.

I've considered this and I agree Lloyds has handled the claim very poorly. Its contractor has made a number of errors that have needed to be rectified. And when Mr and Mrs T have reported these problems it's taken a long time for matters to be resolved. This has meant they've been caused the inconvenience of having to continually chase Lloyds and the distress of living in a home with an ongoing leak and a bathroom that is not functional.

Further, during the time they were in alternative accommodation they were given little information about where they would be moved to next including in the run up to Christmas which would have been particularly distressing.

Based on this, I agree with our investigator that Lloyds should pay an additional £150 compensation. This brings the total compensation for the five month period up to £800 which is in line with our approach to cases with similar circumstances.

I appreciate Mr and Mrs T don't agree this is enough considering the distress they and their family were caused as it amounts to a small amount per person, per day. However when reviewing a complaint I consider the overall impact across the five months, rather than considering an amount per day. And in the circumstances, I think £800 is fair for the period in question.

My final decision

For the reasons I've given, I uphold Mr and Mrs T's complaint. I require Lloyds Bank General Insurance Limited to pay Mr and Mrs T and additional £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T and Mrs T to accept or reject my decision before 2 December 2022.

Sophie Goodyear

Ombudsman