

## **The complaint**

Mrs B is unhappy about the delays and poor service she experienced after claiming under the home insurance policy she had with Lloyds Bank General Insurance Limited (LBG). She seeks compensation.

## **What happened**

In February 2022, Mrs B had a leak which damaged her kitchen and basement. LBG completed the repairs in July 2022. Mrs B is unhappy with the service she experienced and says that LBG:

- didn't return her calls;
- didn't progress the claim until she chased an update;
- removed her washing machine for longer than expected;
- didn't provide portable bathroom facilities for its contractors;
- left the flooring in an uneven state, causing her to have three near-falls, and
- didn't offer an appropriate sum in compensation.

LBG agreed that it didn't provide the standard of service Mrs B might've expected, so it offered £100 compensation. She didn't think that was enough and asked for £1,250, pointing out that a hotel would've cost much more than that. LBG didn't increase its offer, so Mrs B brought the complaint to our service.

Our investigator thought LBG's offer was fair and reasonable in the circumstances, so she didn't think it needed to do any more to resolve the complaint.

LBG told us that, on reflection, its compensation offer was too low given the service failings. It increased the total offer to £250 plus an assessment of Mrs B's additional laundry expenses by a Personal Claims Consultant (PCC).

Mrs B didn't respond to our investigator's view, but she did confirm that LBG's updated offer was still too low given the figures she'd quoted for accommodation costs and laundry. She asked for £500 to settle her complaint, but LBG thought its offer of £250 was reasonable.

I issued a provisional decision in January 2023 explaining that I was intending to uphold Mrs B's complaint. Here's what I said:

## ***provisional findings***

The shortfalls in service are not in dispute. LBG accepted that it should've handled Mrs B's claim better, which it acknowledged when it offered £100 compensation.

But when we asked LBG for its response to Mrs B's complaint, it reconsidered the service it provided and told us that its first offer wasn't enough. LBG made a new offer of £250 compensation and for a PCC to assess under the claim the additional laundry expenses Mrs B incurred. So, I've taken this into consideration when looking at the details of Mrs B's complaint.

LBG agreed the following service failings:

- Delays completing the scope of work and stripping out to dry.
- Its contractors used Mrs B's bathroom facilities despite her making LBG aware she was vulnerable and didn't want them to.
- Poor communication – failing to return calls or keep Mrs B up to date with progress.
- Avoidable, delayed period without her washing machine.

In light of these shortfalls, I've thought carefully about LBG's offer to decide whether it's fair and reasonable. I think it is for the following reasons:

### **Bathroom facilities**

Although Mrs B asked LBG not to use her bathroom facilities, I note it did so on one day. LBG's contractors were only at her home for that one day and when they returned the following month to complete the work, they brought portable bathroom facilities. While I accept that even one day of using her facilities would've distressed Mrs B, I don't think it warrants compensation in the sum she's asked for.

### **Delays**

The overall claim took five months. There will always be some delay while scoping the work, waiting for areas to dry out, and actually completing the repairs. So, I've only considered the avoidable delays. I can see that there was a period of around six weeks leading up to the stripping out work when nothing seemed to happen, which I agree would've been an avoidable delay. The rest of the delays seem reasonable and included time for preparing the work report, for Mrs B to choose decorations and around a month for drying out.

### **Communication**

LBG didn't always return Mrs B's calls, and this isn't disputed. While LBG provided an understandable reason why calls to a particular staff member weren't returned, it remained LBG's responsibility to ensure it responded appropriately to Mrs B during the course of her claim.

### **Washing machine**

Mrs B was made aware that her washing machine would be removed and put into storage, but she said LBG didn't tell her how long that would be for. After a month, she asked about it and LBG returned it to her. I've noted Mrs B's comments about the inconvenience and additional expense this caused her. LBG accepted that this was a failing, which was one of the reasons for its original compensation offer. However, it has since offered to assess the additional expense as part of her claim. I think that's fair in the circumstances. Mrs B will

need to provide LBG with details of the additional expenses she incurred when doing her laundry during the month she was without use of her washing machine.

### **Uneven floor**

Mrs B said she nearly fell three times because the floor was left in an uneven state. She was particularly vulnerable to falls at that time. I've thought carefully about this, but I can't reasonably hold LBG responsible. That's because it was necessary to uncover the floorboards to allow for drying; it wasn't responsible for the condition of the floorboards underneath the flooring, and it offered Mrs B alternative accommodation. I also note that Mrs B said she *nearly* fell, which tells me that she didn't fall on the uneven flooring. I see no reason to ask LBG to increase its offer in respect of this issue.

### **Compensation**

Mrs B asked for £1,250 compensation, and she pointed out that, if she'd accepted LBG's offer, alternative accommodation would've cost around twice that amount. My role here is to look at whether LBG made mistakes in the way it handled Mrs B's claim and to award compensation where I think it's appropriate. While I accept that the overall cost to LBG may well be lower because it didn't have to find alternative accommodation for Mrs B, that doesn't mean it should pay her the difference. To do so would mean she's benefiting financially from the policy rather than being placed back into the position she should've been in had the mistakes not happened. The compensation is intended to address the avoidable distress and inconvenience Mrs B experienced due to LBG's mistakes.

Overall, I think LBG's first compensation offer was on the low side, especially given that it was aware of Mrs B's vulnerability and the avoidable distress and inconvenience she experienced. While I've provisionally decided to uphold Mrs B's complaint, I don't plan to ask LBG to pay the amount she asked for. That's because I think LBG's updated offer of £250, which is an additional £150 to that already paid, along with consideration of the laundry costs is fair and reasonable.

I said I was intending to require Lloyds Bank General Insurance Limited to:

- pay £250 compensation for the service failings, and for the distress and inconvenience caused, and
- assess Mrs B's additional laundry costs under the claim.

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

LBG accepted my provisional decision.

Mrs B didn't respond.

### **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.

As Mrs B didn't make any further submissions or provide further evidence for me to consider, I looked again at the evidence already available. Having done so, I remain satisfied that the provisional outcome is fair and reasonable in the circumstances.

So, my final decision is the same as my provisional decision and for the same reasons.

### **My final decision**

For the reasons I've explained above, and in my provisional decision, I uphold Mrs B's complaint and Lloyds Bank General Insurance Limited must:

- pay £250 compensation for the service failings, and for the distress and inconvenience caused, and
- assess Mrs B's additional laundry costs under the claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 14 March 2023.

Debra Vaughan  
**Ombudsman**