

## **The complaint**

Mr B and Mrs B have complained that Lloyds Bank General Insurance Limited (Lloyds) unfairly declined a claim under a home insurance policy.

## **What happened**

Mr B and Mrs B contacted Lloyds to make a claim for storm damage. Lloyds declined the claim for the external damage, but agreed to pay for the internal damage. It later reviewed the claim again and also declined the internal damage. Lloyds said all the damage was due to pre-existing issues.

During the claim, Mr B and Mrs B complained to Lloyds. For the first complaint, Lloyds offered £200 compensation as it said Mr B and Mrs B had been provided with conflicting information about some wardrobes. Following another complaint, Lloyds offered Mr B and Mrs B a further £250 compensation because its contractor didn't provide it with a sufficient report when they visited the property. When Mr B and Mrs B complained again, Lloyds said it should have declined the full claim earlier. It also accepted that there had been issues with its contractor and that damage had been caused to Mr B and Mrs B's home when tests were carried out. It offered £750 compensation and £1,162.72 so Mr B and Mrs B could repair the marks and holes made to their property.

When Mr B and Mrs B complained to this service, our investigator upheld the complaint in part. She said it was reasonable for Lloyds to decline the claim and that £1,200 was fair compensation for the issues with the claim. However, she said Lloyds should pay the settlement for the marks and holes made to the property at the cost to Mr B and Mrs B, not to Lloyds.

As Mr B and Mrs B didn't agree this was a fair outcome, the complaint was referred to me.

## **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 uphold this complaint in part. I will explain why.

When we look at a storm claim complaint, there are three main issues we consider:

1. do we agree that storm conditions occurred on or around the date the damage is said to have happened?
2. is the damage claimed for consistent with damage a storm typically causes?
3. were the storm conditions the main cause of the damage?

We're only likely to uphold a complaint where the answer to all three questions is yes.

Looking at the first question, I've looked at the weather conditions around the time of the claim. These showed windspeeds of up to 40mph, which wouldn't be considered storm

strength. I also looked at the volume of rain around that time and saw significant rainfall that would normally be considered a wet storm. I also think a large volume of rain could cause water damage. So, I think the answer to the first two questions is yes.

So, I've thought about whether the storm was the main cause of the damage. I've first looked at the external damage. When Lloyd's contractor visited, it didn't find evidence of storm damage. It said the damage was the result of wear and tear.

This was later reviewed again by Lloyds, which was a more detailed assessment. This found issues with the concrete gutters, which were no longer watertight. Based on online images, slipped tiles and missing pointing on the roof were also identified that pre-dated the incident. Issues were also found with the flat roof, which was assessed to be approaching the end of its natural lifespan. There was also evidence the roof seemed to have been jet washed at some stage, which would have allowed water to enter the property. Overall, it was assessed that there was defective roof construction, workmanship issues and general issues with wear and tear to the roof.

Having looked at Lloyds' assessments, I think it was reasonable for it to rely on these to decline the claim. I'm aware Mr B has disagreed with some of the assessment, including that he has said the roof wasn't pressure-washed with a high-powered water jet, but instead cleaned with low powered water and a brush. He also said plastic guttering was added as a temporary measure after Lloyds declined the claim and that a flat roof could ripple due to the sun's heat, but it wasn't damaged in any way. However, this doesn't change my view that Lloyds' decision was reasonable.

I've also considered the internal damage. I'm aware Lloyds originally agreed to cover this damage and it was only later, when work was due to start, that Lloyds decided the damage wasn't covered. When Lloyds reassessed the damage, it found that the internal damage was in line with the pre-existing external damage. It didn't find any damage that it assessed was caused by a one-off storm event. Having looked at the assessment and the photos, I think it was reasonable for Lloyds to decline the internal damage. I also note that the Accidental Damage part of the policy didn't cover damage caused by water entering the home. So, there was also no cover under that part of the policy.

Mr B and Mrs B were also concerned by Lloyds' customer service. This included issues with a contractor and it initially accepting the claim for the internal damage and then later declining it. I can understand this would have caused Mr B and Mrs B distress, frustration and upset. They also had a loss of expectation about their claim. Across the three complaints, Lloyds offered a total of £1,200 compensation, which I think was fair to reflect the impact on Mr B and Mrs B. I don't require Lloyds to pay any further compensation.

While Lloyds was still intending to deal with the internal damage, it put marks and holes in the ceiling and walls when it was carrying out some testing. Lloyds agreed to pay a cash settlement of £1,162.72 to enable Mr B and Mrs B to have this damage repaired. I think it was fair for Lloyds to offer to pay to repair this damage. However, the amount it offered was based on the cost to Lloyds to carry out the work, but its own contractors weren't going to do the work. So, I think Lloyds should have offered the settlement on the basis of the cost to Mr B and Mrs B. As a result, I think Lloyds should pay Mr B and Mrs B the reasonable costs of them having this damage repaired, subject to them providing Lloyds with suitable evidence of the costs they need to pay. Lloyds doesn't need to pay for any other damage to Mr B and Mrs B's home, including the external damage and the damage as the result of water entering the property.

### **Putting things right**

Lloyds should pay Mr B and Mrs B the reasonable costs of repairing the marks and holes caused by Lloyds, subject to Mr B and Mrs B providing Lloyds with appropriate evidence of the cost to them of having these repairs carried out.

### **My final decision**

For the reasons I have given, it is my final decision that I uphold this complaint in part.

I require Lloyds Bank General Insurance Limited to pay Mr B and Mrs B the reasonable costs of repairing the marks and holes caused by Lloyds Bank General Insurance Limited, subject to Mr B and Mrs B providing appropriate evidence of the cost to them of having these repairs carried out.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mrs B to accept or reject my decision before 26 October 2023.

Louise O'Sullivan  
**Ombudsman**