

The complaint

Mr S complains about the way Lloyds Bank General Insurance Limited (“Lloyds”) handled a claim under his home insurance policy.

What happened

The circumstances of this complaint are well known to both parties, so I’ll only summarise them here:

- In April 2023 Mr S found water on the bathroom floor and he contacted his home emergency provider who identified a leak and turned off the water to the bathroom.
- Mr S contacted Lloyds to report a potential claim under his home insurance policy.
- Mr S tells us there were delays in completing the repair work and he spent a considerable amount of time chasing Lloyds.
- Mr S tells us a second leak was caused when attempting to trace the original leak, this time to the soil pipe making the toilet unusable.
- Lloyds accepts it didn’t provide the service it should’ve done and offered to pay Mr S a total of £400.
- Mr S didn’t think this was an appropriate level of compensation and brought his complaint to this service.
- Our investigator acknowledged there had been delays, and that Mr S had encountered disruption and inconvenience because of the poor service he’d received.
- He noted that another party had been involved and contributed to the impact Mr S experienced but was satisfied most of the dealings had been with Lloyds.
- He considered the offer Lloyds had made and was satisfied that £400 was fair and in line with what he would’ve recommended had Lloyds not already made the offer.
- Mr S remained unhappy and asked that an ombudsman decide his case.

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’ve reached the same outcome as our investigator, and largely for the same reasons.

Under this complaint I am considering the actions by Lloyds, who insure the property, and I’m only considering what happened up to 29 May 2023 when Lloyds issued a second Final Response Letter. I’m not considering action taken by the Home Emergency provider, but I am mindful that the actions of the home emergency provider may have impacted the overall time taken to complete repairs. That said, like our investigator, I’m satisfied most of Mr S’s dealing were with Lloyds

There is no dispute the level of service provided by Lloyds was poor, and Mr S had to chase Lloyds and act as a middleman between Lloyds and the Home Emergency contractors. The issue at hand is what impact this had on Mr S and whether the offer made by Lloyds is fair and reasonable. Lloyds made 2 offers of £200 so a total of £400. I've seen evidence that these payments have been made.

Mr S occupies an upstairs flat and his son and daughter-in-law occupy a self-contained downstairs flat with its own entrance door. The leak occurred in the downstairs flat and had a considerable impact on Mr S's son and daughter-in-law who was pregnant at the time of the incident and had her baby before the issues were resolved. But I can only consider the impact on the policyholder, Mr S, not the impact on his family who occupy the downstairs flat. I do however acknowledge the impact on Mr S's family will have been distressing to Mr S.

I'm mindful the bathroom where the leak occurred wasn't fully functioning for a number of weeks, and longer than it should've been. I also note Mr S had the use of another bathroom so most of inconvenience fell to the family who occupy the downstairs flat.

Having considered all of the evidence and testimony I'm satisfied the total offer of £400 is in line with the award I'd have made had Lloyds not already made an offer.

Putting things right

Lloyds should ensure any outstanding repairs are completed. As it has paid £400, I won't be asking it to pay anymore.

My final decision

For the reasons above I uphold this complaint. Lloyds Bank General Insurance Limited has made an offer to pay £400 to settle this complaint and I find this offer is fair in all the circumstances. As it has paid £400 I don't require it to pay anymore.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 21 May 2024.

Martyn Tomkins
Ombudsman