

## **The complaint**

Ms K complains about Lloyds Bank General Insurance Limited (“LBGIL”) and their decision to decline part of the claim made on her home insurance policy.

## **What happened**

The claim and complaint circumstances are well known to both parties. So, I don’t intend to list them chronologically in detail. But to summarise, Ms K held a home insurance policy, underwritten by LBGIL, when she discovered an escape of water at her home. So, she contacted LBGIL to make a claim.

LBGIL instructed another company to manage the claim on their behalf. As this company were acting as an agent of LBGIL, I will refer to them as LBGIL throughout the decision. LBGIL instructed an independent expert, who I’ll refer to as “P”, to inspect Ms K’s home. And after two visits, P advised LBGIL that the damage found in Ms K’s ensuite, downstairs bedroom and hallway was related to an ongoing leak from her ensuite shower, caused by lack of sealant. So, LBGIL declined Ms K’s claim for damage to these areas, accepting the damage found in Ms K’s kitchen caused by a separate leak.

Ms K was unhappy about this, so she raised a complaint. Ms K was unhappy with LBGIL’s decision to decline part of her claim, and the confusion she felt during the process of LBGIL reaching this decision. Ms K also referred to a damage spotlight in her kitchen she felt was caused by the investigate work undertaken by P.

LBGIL responded to Ms K’s and didn’t uphold it. They thought they acted fairly when declining part of the claim, relying on P’s opinion as the expert. And while they apologised for any confusion Ms K felt regarding P’s appointments, they felt P’s attendance to Ms K’s home was necessary to progress the claim. Finally, they advised Ms K’s concerns about the spotlight would be looked into further. Ms K remained unhappy with this response, so she referred her complaint to us.

Our investigator looked into the complaint and didn’t uphold it. They thought LBGIL were fair to rely on P’s opinion when declining part of the claim. And they thought LBGIL had acted in line with the terms and conditions of the policy when doing so. And while they recognised some confusion may have been caused regarding the appointments, they thought LBGIL had taken reasonable steps to ensure the appointments were undertaken. So, they didn’t think LBGIL needed to do anything more.

Ms K didn’t agree. She maintained her belief the leak in her kitchen was the cause of the water damage to her ensuite, bedroom and hallway. And she was unhappy P advised all affected areas of her home would require drying, but that drying was only carried out in the kitchen.

Our investigator considered Ms K’s comments, but their opinion remained unchanged, explaining why they would only expect LBGIL to carry out repair work in the kitchen, as this

was the only area P deemed was damaged by the kitchen leak, rather than the issue found with the ensuite shower. Ms K continued to disagree and so, the complaint has been passed to me for a decision.

### **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.

I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

First, I want to recognise the impact this complaint has had on Ms K. I don't doubt Ms K purchased the insurance policy to assist her both practically and financially in situations such as the one she found herself in. So, when LGBIL declined part of her claim and this left her needing to arrange for part of the repairs herself, at her own cost, I can understand why she would feel unfairly treated and choose to complain.

But for me to say LGBIL should do something differently, for example overturn their original claim decision and accept all the claim, I first need to be satisfied they've made an error. So, I'd need to be satisfied they failed to act in line with the policy terms and conditions when declining part of the claim. Or, if I think they did act within these, I'd need to be satisfied they acted unfairly in some other way that influenced their claim decision. In this situation, I don't think that's the case and I'll explain why.

But before I do, I think it's important to make clear what I've been able to consider and crucially, how. It's not my role, nor the role of our service, to re-underwrite Ms K's claim as we don't have the expertise to do so. Because of this, I won't be speculating on how I think the claim should have been settled, or what the main cause of the water damage found in Ms K's ensuite, bedroom and hallway was.

Instead, it is my role to decide whether I think the actions LGBIL took were fair and reasonable. To do this, I've considered all the information available to them at the time they chose to decline part of the claim including the opinion of P, who were the independent expert in this situation. And I've then considered this against standard industry approach and what I think another insurer would've done, in the same situation.

In this situation, while I recognise there does appear to have been some confusion on whether the damage in the ensuite, bedroom and hallway would or wouldn't be covered on P's initial visit, I've seen reports, testimony and video from P that confirm their ultimate final opinion that the water damage found in the ensuite, bedroom and hallway was caused by a leak in the ensuite shower, caused due to a lack of sealant, that had been ongoing for a period of time.

And in line with standard industry approach, and what our service expects, I think LGBIL were fair to rely on this opinion, as it was provided by the expert in this situation, P.

I've then read through the terms and conditions of the policy Ms K held. And these explain that they wouldn't pay for damage caused by the failure, or lack of, sealant or grout as well as making it clear they wouldn't pay for damage that happens slowly over time.

So, as P felt the damage to the ensuite, bedroom and hallway was caused by a leak attributed to a lack of sealant, that likely happened over a period of time, I think LGBIL have acted fairly, and in line with the terms and conditions Ms K held, when declining that aspect of Ms K's claim.

And as the claim for damage to these rooms was declined, it follows that I wouldn't expect LGBIL to arrange, or pay for, the repairs required in these rooms. And that includes any drying process that was necessary. So, because of the above, I'm directing LGBIL to take any further action regarding their decision to decline part of Ms K's claim.

I understand this isn't the outcome Ms K was hoping for. And I want to reassure Ms K I've considered all of the points and comments she's raised, even if I haven't commented on them specifically due to the informal nature of our service.

I appreciate Ms K disputes P's decision. And she's provided photo's and testimony she feels supports her view. But crucially, where an expert has made a finding, I think LGBIL are fair to rely on this unless a similar expert opinion is provided that contradicts the original conclusion. And I can't see Ms K has sought or provided a report from a suitable expert to dispute P's overall conclusion.

And while I appreciate it appears there may have been some confusion between P's visits, including what Ms K was led to believe would or wouldn't be covered, LGBIL are entitled to take reasonable steps to validate the claim and this can include more than one visit, especially when several rooms are impacted. From what I've seen LGBIL acted promptly to ensure validation of the claim and this negating any initial confusion that may have been caused. And from the evidence I've seen, their overall decision to decline part of the claim was reached fairly. So, I won't be directing LGBIL to do anything more regarding this service aspects either.

Finally, it was pleasing to see LGBIL recognised Ms K had raised concerns about a spotlight in her kitchen. At the point LGBIL issued their complaint response, I don't think they had been given a reasonable opportunity to inspect this issue and decide a next course of action. So, I think their agreement to inspect this issue further was a reasonable one.

### **My final decision**

For the reasons outlined above, I don't uphold Ms K's complaint about Lloyds Bank General Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms K to accept or reject my decision before 21 January 2025.

Josh Haskey  
**Ombudsman**