

## The complaint

Mr and Mrs E complain Lloyds Bank General Insurance Limited handled their home insurance claim poorly.

Lloyds has been represented by agents for the claim. For simplicity I've generally referred to the representative's actions as being Lloyds' own. Mr and Mrs E are both complainants. As Mrs E's been the main correspondent, and for ease of reading, I've generally only referred to her below.

## What happened

In 2020 Mrs E noticed cracking to the outside of her property. She made a subsidence claim against her Lloyds home insurance policy. The claim was accepted. A local tree was identified as the likely cause. That was removed in January 2023, with repairs to the property intended to begin in April 2023. As repairs hadn't begun by June 2024 Mrs E referred a complaint to this Service. Repairs eventually began in August 2024.

During the claim Mrs E's raised various complaints with Lloyds about delays, poor communication and other issues. Lloyds has issued several complaint final responses. In October 2022 Lloyds accepted there had been a lack of updates, paying £150 compensation. In November 2022 it paid £150 for similar reasons. In July 2023 it paid the same amount, again for similar reasons. In September 2023 a further complaint response was issued, addressing concerns about drainage.

In the Spring of 2024 Mrs E complained again. Lloyds issued a complaint final response in April 2024. It said it had reviewed matters from September 2023, the date of its previous complaint response. It accepted Mrs E had experienced unnecessary delay, a lack of proactive claims handling. It also acknowledged a failure to keep Mrs E updated, requiring her to seek updates. It paid £500 compensation as an apology.

Mrs E wasn't satisfied with that outcome. When referring her complaint here she explained her frustration at the rate of progress of the claim and Lloyds' communications. Repairs to the property hadn't started as it was struggling to find a local contractor. She was concerned the repairs would be completed in reasonable time, interfering with her plans to move home.

Our Investigator explained to Mrs E that she couldn't consider complaints referred to this Service more than six months from the date on a complaint response letter. That meant she couldn't consider complaint issues addressed in the September 2023 and earlier complaint response. The April 2024 response addressed matters from after September 2023. Mrs E had referred her complaint within six months of that letter. So the Investigator considered complaint issues from September 2023 onwards up to the date of the April 2024 final response. Lloyds hadn't given consent for consideration of complaint issues arising after its April 2024 response, not having had the opportunity to respond first.

The Investigator found Lloyds hadn't proactively managed the claim during the period she considered. But she felt £500 compensation was enough to fairly reflect the avoidable trouble and upset it was responsible for. Mrs E didn't accept that outcome, so the complaint

was passed to me to decide. She said £500 isn't enough to make up for living in a damaged property day after day.

For the same reasons, I've considered the same period and complaint issues as the Investigator. In Mrs E's response to the Investigator's assessment, she referred to commissioning her own survey. I haven't considered whether Lloyds should reimburse Mrs E for it. It's only fair that she first allows Lloyds an opportunity to respond to a request for reimbursement. I apologise if I'm mistaken but I haven't seen any evidence that she's done that or complained about the outcome.

### **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 this is an informal service I'm not going to respond here to every point or piece of evidence Mrs E and Lloyds have provided. Instead, I've focused on those I consider to be key or central to the issue. But I would like to reassure both that I have considered everything submitted.

Having done so, I'm not going to require Lloyds to pay any additional compensation or do anything differently. I realise the claim has been very frustrating for Mrs E. That is apparent from her comments and Lloyds' response to her previous complaints. But I'm considering only a seven-month period here and not Mrs E's claim journey as a whole. There was continued frustration at Lloyds' lack of proactive updates and its failure to secure a contractor for repairs.

During that period Mrs E lived in an unrepaired property for longer than might have been necessary had Lloyds managed the claim more effectively. But it doesn't appear conditions in the property were severe, or that it was uninhabitable. Although I do note there seems to have been some discomfort resulting from cracks to a porch.

I realise this will be disappointing for Mrs E, but I'm satisfied £500 is fair compensation to recognise unnecessary distress, frustration and a level of discomfort during the period considered by this complaint. Mrs E can look at our website for examples of how we make awards for distress and inconvenience. And based on the impact of Lloyds' actions during the time period I'm considering, I'm satisfied that I would have awarded a similar amount of compensation for this complaint if no offer had been made.

### **My final decision**

For the reasons given above, I don't require Lloyds to pay any additional compensation or do anything differently.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E and Mrs E to accept or reject my decision before 23 April 2025.

Daniel Martin  
**Ombudsman**