

The complaint

Mrs K complains that Lloyds Bank General Insurance Limited declined a claim she made under her home insurance policy. She's also unhappy about a delay in informing her of its decision.

Lloyds is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agents. As Lloyds has accepted it is accountable for the actions of the agents, in my decision, any reference to Lloyds includes the actions of the agents.

What happened

In early 2024, Mrs K made a claim under her home insurance policy with Lloyds. She said her roof and chimney had been damaged by storms, and water was entering her house.

Lloyds arranged for a surveyor to attend the property. The surveyor assessed the external damage to the roof and concluded it was not storm related. Mrs K asked Lloyds to consider the internal damage to the ceiling and walls. But she didn't hear back for a couple of months, so she raised a complaint.

Lloyds acknowledged there had been poor service and a lack of communication which had caused a delay to Mrs K's claim. It paid her £200 compensation for this. It said it wasn't able to cover the external damage to her roof, but it would review the internal damage to her home.

Shortly after it responded to Mrs K's complaint, Lloyds sent her a letter which said it was declining her claim because it believed the damage to her home was caused by ongoing weather-related conditions, rather than a one-off incident.

Mrs K asked the Financial Ombudsman Service to consider her concerns. She was unhappy that Lloyds hadn't physically inspected the internal damage to her property. She was also concerned about a delay in advising her of its decision to decline her claim. She said this had created the potential for the internal damage to worsen. The delay had caused her unnecessary stress and anxiety and had also impacted her financially.

In the meantime, Lloyds responded to Mrs K's complaint about it declining her claim for internal damage to her property. It said it wouldn't be changing its decision.

Our investigator didn't think Mrs K's complaint should be upheld. He thought Lloyds' decision to decline Mrs K's claim was reasonable. He also thought the £200 Lloyds had awarded her for poor service and a lack of communication was fair.

Mrs K disagreed with our investigator's outcome. She made a number of comments about why she felt his conclusions were unfair and how the delay in Lloyds responding to her claim had impacted her. So, the complaint has been passed to me to decide.

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 decided not to uphold Mrs K's complaint. I'll explain why.

I've considered everything Mrs K has told our service, but I'll be keeping my findings to what I believe to be the crux of her complaint. I wish to reassure Mrs K I've read and considered everything she's sent in, but if I haven't mentioned a particular point or piece of evidence, it isn't because I haven't seen it or thought about it. It's just that I don't feel I need to reference it to explain my decision. This isn't intended as a discourtesy and is a reflection of the informal nature of our service.

Claim decline

When a policyholder makes a claim, the onus is on them to show that an insured event most likely caused the loss or damage. Mrs K's policy provides cover for loss or damage caused by an event listed in it. For Mrs K's loss to be covered, it would need to fall under one of those events. If it doesn't – then the claim isn't covered and won't be settled.

Mrs K says the damage to her property was caused by a storm, which is one of the events listed in the policy's terms and conditions. So, I've considered if the damage was likely to have been caused by this peril.

When our service looks at storm damage claims, we ask three questions. These are:

- Do we agree that storm conditions occurred on or around the date the damage is said to have happened?
- If so, is the damage being claimed for consistent with damage that a storm typically causes?
- Were storm conditions the main or dominant cause of the damage?

If the answer to these questions is 'yes', then the claim is likely to succeed. But, if the answer to any of the above questions is 'no' – then the claim for storm damage is unlikely to be covered.

The policy's terms and conditions define "*storm*" as follows:

"When we say 'storm' we mean strong winds over 55mph, and/or hail or snow that's extreme enough to damage hard surfaces or break glass. Rain alone is not a storm."

Lloyds has accepted there were storm conditions in January 2024, which is when Mrs K says the damage occurred. So, I've gone on to consider the second question, which is whether the damage being claim for is consistent with damage that a storm typically causes.

Lloyds has provided a surveyor's report from the inspection that took place in March 2024. I can see from the photographs in the report that some of the roof tiles are missing or broken. This is consistent with the type of damage that might be caused by a storm. So, I've gone on to consider the third question which is whether the storm conditions were the main or dominant cause of the damage.

The surveyor's report says:

"The chimney roof has deuterated [sic] mortar around the chimney, due to a lack of maintenance..."

The claim has been declined due to the natural breakdown of materials. The roof has several broken tiles caused by bricks falling from the chimney. The chimney will require significant maintenance, including mortar work and brick replacement. There are no storm damages...

There are a number of photographs in the report which support the surveyor's findings.

Having reviewed the report, I think it's more likely that the bad weather conditions in early 2024, highlighted pre-existing issues with the roof and chimney, rather than the damage being caused by a one-off storm event. So, I think Lloyds' decision to turn down Mrs K's claim for the external damage was fair.

I can see that Mrs K's policy included cover for accidental damage. So, I've thought about whether the internal damage to her property might be covered under this section of the policy.

The policy's terms and conditions say:

"When we say 'accidental damage' we mean damage that's sudden, unexpected and not done on purpose. There needs to be a one-off specific event that caused the damage. For example, a football smashes your window or you spill a drink on your carpet.

It doesn't include damage that's due to a lack of maintenance or damage that happens slowly over time. For example, if your roof leaks because it hasn't been looked after properly, or your computer breaks down because it's old."

Lloyds says Mrs K's claim for the internal damage to her property was declined because it believes it to have been caused by ongoing weather-related issues and not a one-off incident. It says there was also a maintenance issue which has been highlighted by rain over some time.

I appreciate Mrs K was unhappy that Lloyds didn't physically inspect the internal damage to her home. But having reviewed the surveyor's report, along with the photographs Mrs K sent to Lloyds, I don't think it was unreasonable for Lloyds to conclude that the damage wasn't covered by the policy.

Lloyds has provided information to show that Mrs K had previously made claims for damage to her roof that had also been declined due to poor maintenance. It concluded that external damage was caused by deteriorated mortar to the chimney and internal damage to the ceiling was caused by rainwater ingress over a period of time.

Based on what I've seen, I think the internal damage to Mrs K's property was likely to have been caused by a lack of maintenance. I don't think Mrs K has shown that the main cause was a storm or any other one-off event that the policy covers. So, I think Lloyds' decision to decline Mrs K's claim was fair and reasonable, in line with the policy's terms and conditions.

Customer service

From what I can see, Mrs K submitted a further claim for internal damage after being told that her claim for the external damage had been declined. Lloyds asked its surveyors to validate the internal damage. The surveyors said it wouldn't consider the internal damage due to the external damage being declined. But Mrs K wasn't advised of this.

Lloyds apologised for this poor service when it responded to her complaint on 2 July 2024. It also said its claims team would be reviewing the internal damage to Mrs K's home and she would hear from them shortly.

Lloyds reviewed the damage from photographs supplied from Mrs K, along with the surveyor's report from March 2024 and Google images of her property. It informed her of its decision to decline her claim for internal damage ten days after responding to her complaint.

Mrs K says the delay in Lloyds providing her with an outcome to her claim has affected her financially and emotionally. She says the internal areas continued to deteriorate while she awaited a decision. She personally funded the major works on both the external and internal areas, expecting to receive a contribution at some stage from Lloyds.

Mrs K says she lost the opportunity to market and sell her property because the market had quieted by the time the repairs and redecoration were completed. She believes she's lost out on potential profit from the sale of her house. She says the uncertainty over whether she would sell or stay resulted in a loss of employment income and she's also incurred extra maintenance costs while she waits to sell her home. Mrs K says she has also been affected emotionally as she lost the opportunity to move closer to her family and the situation has negatively affected her mental health.

I'm sorry to hear of the difficulties Mrs K has faced trying to sell her home and the impact this has had on her financially and emotionally. In circumstances where I can see an impact is directly attributable to a business's error, I can award compensation for this. So, I've considered if this exists in this case.

I acknowledge there was a delay in Lloyds informing Mrs K that the internal damage to her property wasn't covered by the policy. And I understand this delayed her arranging repairs and redecoration. However, there would be multiple factors affecting her ability to sell her property at the price she wanted. So, while I empathise with Mrs K, I can't reasonably conclude that the financial and emotional issues she's made us aware of can be directly and solely attributed to Lloyds' mistakes.

Lloyds has acknowledged it was responsible for some poor service and a lack of communication which caused a delay to Mrs K's claim. It paid her £200 to compensate her for this. I understand Mrs K feels the compensation should be higher because Lloyds didn't respond to her second complaint (about the claim decline) until December 2024. However, it advised her of its decision to decline her claim for internal damage on 12 July 2024. So, I don't think Lloyds is responsible for delaying Mrs K's claim by more than a few months.

I think £200 reasonably recognises the impact of Lloyds' poor service on Mrs K. So, while I appreciate my answer will be disappointing for her, I don't require Lloyds to do anything further.

My final decision

For the reasons I've explained, I don't uphold Mrs K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 14 April 2025.

Anne Muscroft
Ombudsman