

## **The complaint**

Mr L and Ms L complain Lloyds Bank General Insurance Limited (Lloyds) declined the claim they made under their home insurance policy.

This complaint has been bought by both Mr L and Ms L, but as Ms L has been leading in this complaint, and for ease, I've referred to her throughout.

## **What happened**

The circumstances of this complaint will be well known to both parties and so I've summarised events. At the end of Ms L's garden is a large retaining wall which continues across the gardens of her neighbours' properties. At the end of February 2024, part of the wall at the end of her neighbour's garden collapsed. Ms L reported a claim to Lloyds under her home insurance policy, explaining that damage had been caused to her section of the wall.

Lloyds arranged for a surveyor to attend Ms L's property. It subsequently declined Ms L's claim. The surveyor's opinion was that the damage to the wall had been caused by a natural breakdown of materials rather than subsidence or any other insured peril. Ms L didn't agree and raised a complaint.

On 3 April 2024 Lloyds issued Ms L with a final response to her complaint. It said the evidence supported that the wall had failed due to wear and tear which was excluded under the terms of the policy. It said if Ms L was able to provide an independent report to say the damage was caused by something else it would consider this.

Ms L said she believed the damage had been caused by poor previous repairs carried out by her neighbour several years earlier. On 29 May 2024 Lloyds issued Ms L with a further response to her complaint. It said even if the damage had been caused by poor repairs several years earlier, it would still be considered as a gradual cause and there was no insured peril. It said if Ms L had a dispute with her neighbour it wouldn't be involved in this. Ms L didn't think this was reasonable and so referred her complaint to this Service.

Our investigator looked into things. She said she thought it was reasonable for Lloyds to conclude the damage had been caused gradually and didn't think there was evidence of an insured peril taking place. She also said Ms L would have to seek advice elsewhere in relation to her dispute with her neighbour.

Ms L didn't agree with our investigator. She said she hadn't seen any evidence her neighbour's section of the wall was in a good state of repair other than what her neighbour had told her. She also said the evidence supported that the damage to her property was a secondary consequence of the failure of her neighbour's wall, and this was as a direct result of the poor repairs carried out in 2007.

As Ms L didn't agree with our investigator 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.

I want to acknowledge I've summarised Ms L's complaint in less detail than she's presented it. I've not commented on every point she has raised. Instead, I've focussed on what I consider to be the key points I need to think about. I mean no discourtesy by this, but it simply reflects the informal nature of this Service. I assure Ms L and Lloyds I've read and considered everything that's been provided.

I also want to be clear about what I've considered as part of this decision. I've considered Lloyds's decision to decline Ms L's claim under her home insurance policy. I'm aware Ms L believes Lloyds should accept liability for the damages as it provided home insurance for her neighbour she holds responsible for the damage. However, this is a separate dispute, and one which this Service isn't considering. Therefore, my decision will focus solely on Lloyds's actions as Ms L's insurer and its decision to decline Ms L's claim under the policy she holds with it.

In order for me to say I think this claim should be paid, I would need to be satisfied the damage to Ms L's wall has been caused by an insured event. Based on the evidence provided, I'm not persuaded the damage to Ms L's wall has been caused by an event covered by the terms of Ms L's policy.

Lloyds arranged a surveyor to attend Ms L's property and they have written a report. I can see in their report they have concluded the damage to Ms L's property hasn't been caused by an insured event, but by wear and tear. I think it was reasonable for Lloyds to rely on the opinion of the surveyor who attended Ms L's property as they had seen the damage in person and have the relevant expertise in the field. As damage caused by wear and tear is specifically excluded by the terms of the policy, I think it was reasonable for Lloyds to have declined Ms L's claim based on the information available to it at this time.

Ms L has since provided a detailed report from a geotechnical engineer who concludes the collapse of the wall was as a result of the inadequate remediation following the previous collapse of the wall in 2006.

I've taken this report into consideration. However, even if I were to accept the damage to Ms L's property has been caused by poor repairs carried out by a neighbour several years earlier, I don't think there is a section of Ms L's policy which would cover this scenario. I've carefully reviewed the terms of Ms L's policy, and there is no section under which I would consider these circumstances to be covered. So, I don't think it would be reasonable to require Lloyds to accept Ms L's claim under the policy she holds with it.

Ms L's testimony suggests she believes Lloyds are responsible for the repairs to her property, not necessarily through her own policy, but through the third-party liability cover of her neighbour's policy. This doesn't form part of Ms L's complaint with Lloyds about the decline of her claim under her own policy, and so isn't something I will be commenting on as part of this decision. If Ms L has a dispute with her neighbour regarding the responsibility of the damage to her property, this is something she would need to seek independent advice on.

I naturally empathise with Ms L given the damage to her property. However, for the reasons I've explained, I think Lloyds have acted fairly when declining Ms L's claim.

**My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L and Ms L to accept or reject my decision before 22 August 2025.

Andrew Clarke  
**Ombudsman**