

The complaint

Mr I is unhappy Lloyds Bank General Insurance Limited (“Lloyds”) unfairly declined his claim when flooding caused his “Cornish” boundary wall to collapse. Mr I thought the communication from Lloyds was poor and felt there were unnecessary delays with the claim. Lloyds were providing a home insurance policy.

What happened

Mr I made a claim to Lloyds when severe flooding caused part of his boundary wall to collapse. The wall was a “Cornish” style made from stone and foliage.

Lloyds appointed a surveyor to review and validate the claim. Based on the information provided by the surveyor, Lloyds decided to decline the claim. Lloyds accepted there had been significant flooding, but it said as the area near Mr I’s home had flooded consistently it wasn’t an insurable one-off event. Lloyds also said, *“as the flood did not take place while your policy was active, the claim could not be covered”*.

Our investigator decided not to uphold the complaint. She said the surveyor’s report demonstrated damage had occurred over a long period of time, so she thought Lloyds had been fair in declining the claim due to an exclusion clause in the policy terms. Mr I disagreed so the case has been referred to an ombudsman.

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 know this has been a distressing time for Mr I, but unfortunately, I don’t uphold the complaint. I know this will be extremely disappointing, so I’ll briefly set out my reasoning.

Mr I explained to Lloyds’ surveyor and to our service that heavy, constant rain between September 2023 and June 2024 flooded a road neighbouring his property. As the flood wasn’t cleared by the Highways Agency this standing water caused constant flooding during this period.

Lloyds have provided weather reports which supports Mr I’s description of events which shows heavy rain in September caused the initial flooding, and this was topped up by further torrential rain in later months. Coupled with the Highways Agency not acting, the flood levels didn’t recede for several months.

Lloyds has explained that Mr I’s *“policy was taken out on 14 September 2023 to commence cover on 10 October 2023 and as such, as the flooding commenced prior to the inception of the policy, it is reasonable for Insurers to expect to be advised of hazards they are insuring”*.

I’ve checked the policy documents, and it does confirm the start date as set out by Lloyds. Given the flood was caused before the policy was in place, I think Lloyds has been fair to decline the claim. As Lloyds weren’t providing cover at this point. Lloyds explained correctly to Mr I the policy terms, showing the policy didn’t cover *“prior losses: Any loss, damage,*

injury or liability as a result of an event which happened before this policy started". I think Lloyds has declined the claim reasonably in line with the policy conditions, as the insured event started before the policy was taken out.

I think Lloyds are reasonable in its expectations of needing Mr I to make them properly aware of any risks before taking out the policy. The flood was a current risk. Lloyds have provided evidence that when Mr I took out the policy he was asked several questions about the risk Lloyds needed to cover. Mr I was asked if there had been any previous flooding, and he'd answered no.

I appreciate Mr I didn't think the flooding was on his land, but it was affecting the boundary of his property, so it was relevant for Lloyds to know this information. As it was the same boundary wall Mr I claimed for when he unfortunately experienced damage in the wetter months.

Overall, I think Lloyds has fairly declined the claim as I'm not sure an insured event occurred during the policy term, and only damage has been highlighted during the policy term. Lloyds says the area has been susceptible to flooding for several years and damage occurred gradually. I think it's very likely the increased road usage had detrimentally impacted the wall and Lloyd's conclusion when informing Mr I about his declined claim (in email) was the right one. In that the flooding and damage had occurred over time, which is also an exclusion in the policy terms.

Therefore, whilst I am sympathetic to Mr I's situation, it wouldn't be fair for me to uphold this complaint for the reasons I've set out. So, I won't be asking Lloyds to do anymore.

My final decision

My final decision is that I don't uphold this complaint. I don't require Lloyds Bank General Insurance Limited do anymore.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 17 June 2025.

Pete Averill
Ombudsman