

## **The complaint**

Miss C complains about the way Lloyds Bank General Insurance Limited (Lloyds) handled the claim she made under her home insurance policy.

## **What happened**

The circumstances of this complaint will be well known to both parties and so I've summarised events. In March 2024 Miss C suffered an escape of water at her property and so reported a claim to Lloyds under her home insurance policy. Miss C's tiles contained asbestos and so Lloyds arranged for a specialist contractor to remove some of these tiles, whilst encapsulating others.

Miss C raised a complaint. She was unhappy not all of the asbestos tiles had been removed. She was also unhappy with the way her claim had been handled.

On 22 July 2024 Lloyds issued Miss C with a final response to her complaint. It acknowledged it had caused delays and there had been confusion around whether Miss C's kitchen needed to be removed. It also acknowledged it had failed to consider where Miss C's kitchen would be stored following its removal, causing a further delay. It said Miss C had to spend time chasing for updates and so it paid her £350 compensation.

Lloyds's drying contractors identified some loose tiles in Miss C's kitchen and so Lloyds arranged for the remaining asbestos tiles be removed from Miss C's property. Miss C raised a further complaint with Lloyds. She was concerned she had been exposed to asbestos, and with the way her claim had been handled since the previous final response.

On 10 September 2024 Lloyds issued a final response to Miss C's further complaint. It said:

- It had removed the asbestos tiles it was necessary to remove and had encapsulated the rest. When the kitchen was removed, it disturbed the previously encapsulated tiles and so arrangements for these to be made safe were made as soon as possible.
- It didn't believe there had been further delays in Miss C's claim since the previous final response.
- Miss C's kitchen had pre-existing defects which it wouldn't rectify as part of the claim, although it apologised it didn't discuss this with Miss C when it became aware of the defects.
- The laminate flooring shouldn't run wall to wall and so if Miss C decided she wanted the flooring replaced in this way, it would need to discuss her signing a disclaimer as the warranty wouldn't apply.
- It could either offer Miss C the option to cash settle her claim or use the contractors currently instructed to complete the reinstatement.

- It had paid Miss C £350 compensation due to the poor service she had received.

Miss C didn't think this was reasonable and so referred her complaint to this Service. Our investigator looked into things. He said he thought Lloyds had caused avoidable delays, provided poor service and didn't provide appropriate communication during Miss C's claim. He said he hadn't seen persuasive evidence Miss C had been exposed to asbestos and the £700 compensation it had paid was reasonable in the circumstances.

Miss C didn't agree with our investigator. She said she had provided photographs which showed broken tiles and asbestos dust present which was left from Lloyds's contractor. She said she was fobbed off by Lloyds despite this being a safety issue.

As Miss C 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 Miss C'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 Miss C and Lloyds I've read and considered everything that's been provided.

I also want to be clear what I've considered as part of this decision. Since bringing her complaint to this Service, it appears some of the issues Lloyds addressed in its final responses have fallen away. So, I've focussed my decision on the issues I consider to be outstanding, specifically the way Miss C's claim was handled, and the removal of asbestos tiles. I've addressed these points separately.

#### *Removal of asbestos tiles*

Miss C has said Lloyds's contractor failed to appropriately remove the asbestos tiles in her property which has potentially exposed her to harmful asbestos dust. So, I've considered the evidence available to see whether Lloyds handled the removal of the asbestos tiles from Miss C's property appropriately.

Based on the evidence provided, I'm satisfied Lloyds handled the removal of asbestos tiles appropriately and I'll explain why.

On 14 June 2024 Lloyds's contractor attended Miss C's property and removed some of the asbestos tiles and encapsulated others. Lloyds have provided a certificate from the contractor confirming the working areas had been cleaned thoroughly and a visual inspection had been carried out to ensure the working areas were free of dust and debris.

Miss C has provided photographs which she has said show the condition her property was left in following this visit. Some of the photographs show a collection of broken tiles laying underneath Miss C's radiator. However, this would have been hidden by a radiator cover in place at the time of the contractor's visit. The tiles the broken tiles rest on appear to be whole, and so it's unclear where the broken tiles have come from. I'm not persuaded they would have been placed there by the contractor given the small gap under the radiator cover, and given their location, I don't think it's unreasonable it wasn't spotted by the contractor. This is assuming the broken tiles were present at the time of the contractor's visit which isn't certain.

Another photograph shows what appears to be a cracked tile next to a kitchen appliance. I can see Miss C contacted Lloyds immediately following the contractor visit to say she was unhappy not all the asbestos flooring had been removed and providing photographs. If the tile had been cracked, I think it would have been spotted by Miss C at this stage, but she made no mention of the tiles being cracked. So, I'm not persuaded the tile was cracked at the point the contractor left her property.

Miss C has said she immediately made Lloyds's contractor aware of the broken tiles, but they said there wasn't an issue. I've not seen evidence of Miss C having made the contractor aware of the broken tiles. From the evidence available I can see Miss C made Lloyds aware of the broken tiles by email, but only after the contractor was already scheduled to return. So, I don't think Lloyds were aware of the broken tiles and so were unable to resolve this any sooner than it did.

Following Lloyds's drying contractor identifying loose tiles, Lloyds arrange for the remaining asbestos tiles to be removed. I think this was reasonable in the circumstances and was arranged within a reasonable timeframe.

I can appreciate Miss C's health and safety concerns given the nature of asbestos tiles. However, I'm not persuaded Lloyds's contractor has acted inappropriately or are responsible for leaving Miss C's property in an unsafe condition.

#### *Claim handling*

Lloyds have acknowledged it hasn't handled Miss C's claim as it should have done and has paid her a total of £700. So, I've considered whether this is reasonable to acknowledge the impact to Miss C.

Given the nature of Miss C's claim, I think she would have always experienced some distress and inconvenience even if everything had gone smoothly. However, the way Lloyds have handled Miss C's claim has caused her additional distress and unnecessary inconvenience. Lloyds's errors have meant the repairs to her property have taken much longer than they should have done and she has spent considerable time speaking with Lloyds to put things right.

Taking this into consideration, I think the total compensation of £700 Lloyds have paid is reasonable in the circumstances. I think compensation of this amount is fair when a businesses errors have caused considerable distress and disruption, which I think is the case here. So, I don't require Lloyds to pay further compensation.

#### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 27 August 2025.

Andrew Clarke  
**Ombudsman**