

The complaint

Mr and Mrs W are unhappy with the service and workmanship they received from Lloyds Bank General Insurance Limited ("Lloyds") under their home insurance policy following a claim for escape of water.

What happened

Mr and Mrs W made a claim with Lloyds, when a burst water pipe caused significant damage to their property in 2021.

Unfortunately, the claim is still running and hasn't been fully resolved. Mr and Mrs W are frustrated at the length of time it has taken to get to this point and have been disappointed at the work that has been carried out. They have been deeply distressed and seriously inconvenienced by the catalogue of events.

Lloyds has acknowledged some of its failings and paid Mr and Mrs W compensation. It has also offered further compensation, since the complaint has been escalated to our service.

Our investigator decided to uphold the complaint. She thought the additional compensation (£1,000) offered by Lloyds since the complaint was escalated to our service was fair. However, as this was offered outside of the allowed time window to do so, the complaint is recorded as an "uphold". Mr and Mrs W disagree, so the case has been referred to an ombudsman.

My provisional decision

I made a provisional decision on this on 22 May 2025. I said:

As a financial ombudsman, I need to make my decision in accordance with the rules set out by the Financial Conduct Authority (FCA). Due to the long running nature of this complaint, I think it's important that I set out what I can look at as part of this complaint and under the FCA rules.

Mr and Mrs W have already escalated a complaint to our service which has been decided on by a different ombudsman in relation to this claim. The complaint resulted in Lloyds paying Mr and Mrs W around £950 in compensation. As these issues have already been considered by our service, under the FCA rules I can't look at these issues again.

The FCA also sets out that any complaints must be escalated to our service within six months of the final response letter being sent by the business (Lloyds). Lloyds issued a final response letter on 4 July 2024. However, Mr and Mrs W didn't refer these issues to our service until 6 February 2025. The referral was more than six months after the date of the final response letter. Unfortunately, I can't look at these issues raised as it is out of my jurisdiction due to the rules set by the FCA.

However, I can look at the issues raised in Lloyds' final response letter dated 21 December 2024 that have been escalated to our service in time. Any new issues that Mr and Mrs W may have had after this date would need to be raised directly with Lloyds first (through a

further complaint), so it has opportunity to respond before the issues can be considered by our service and by me in this decision.

I can see the primary cause of complaint in this period relates to the work Lloyds' contractors did to strip off plaster from two walls of the downstairs of Mr and Mrs W's home, following Mr and Mrs W highlighting continued issues from damp since reinstatement works were carried out.

Mr and Mrs W has provided some detailed notes and photographic evidence of what happened. Mr W said:

"On Monday 22 August [2024] a young lad from X turned up. He explained that he had only been asked to do this job the night before and was actually a plumber. For this reason, he didn't have all the necessary equipment, including cleaning equipment or dust sheets. He set about taking the plaster off our walls. To explain, our ground floor is open plan. It comprises a kitchen / dining area and our living area. The lad set about the wall with industrial tools. No care was taken to put dust sheets down or move items of furniture. He simply worked around furniture with this huge drill hammering away. He worked hard, got the job done and left.

Mrs W had to go to the top of the house to work. I returned to find the whole house an absolute mess from top floor to bottom. Our ground floor had a thick layer of dust and grit throughout and the dust travelled to the other two floors because no dust sheets were placed at any entrances. Completely and utterly unacceptable. We don't blame the lad at all. He was hard working and pleasant. But he was a plumber by trade, called in to do the job hours before by X with none of the correct equipment and no brief whatsoever as to what to expect when he got there. His job was simply to hack the plaster off the walls and that's what he did. I can't tell you the state our house was left in".

I've seen the photographs and Mr W's commentary supports what I can see in the photographs. I find his testimony persuasive and I haven't seen evidence provided which contradicts this.

Mr and Mrs W have explained that one of them is vulnerable and the dirty conditions that were created caused further difficulties. Mr and Mrs W weren't assisted at all in clearing up the mess that had been caused. The dust lingered in the house for months afterwards. Mr and Mrs W have explained that it felt they were living on a building site.

Lloyds and its representatives are experts at managing claims, yet they have let down Mr and Mrs W at the time their help was needed the most. There were surveyors employed to ensure the claim was managed effectively yet reinstatement started before the property was properly dry, resulting in further damp been evidenced and the need to strip the plaster. I can't imagine the amount of frustration and inconvenience these avoidable delays caused.

I think the evidence shows the workmanship was poor. Lloyds' representatives didn't appoint an appropriately trained employee to strip out the damp plaster walls. Mr and Mrs W lived in areas of the home where industrial strength dehumidifiers were noisily chugging away. Mr and Mrs W said this caused day to day frustration as they were left eating their food and sitting in areas with constant noise. Lloyds didn't check in with Mr and Mrs W to see if they needed help during this time.

There were further delays in the back end of 2024. I can see evidence of Mr and Mrs W chasing up Lloyds' representatives to understand what was happening with their claim. Further visits to their home have required Mr and Mrs W to take further time off work.

I intend to uphold this complaint. In its final response Lloyds said it would pay Mr and Mrs W £300 compensation. I intend to increase this by a further £1,700.

Whilst I haven't considered the period prior to July 2024, I think the impact of these events has had a cumulative impact over more than a year, maybe several years. Over time I think this will have added to the level of distress felt by Mr and Mrs W. Specifically, in the period this decision looks at, the impact on Mr and Mrs W has clearly been huge. Mr and Mrs W have explained they've found it "exhausting".

The dust, mess, inconvenience is likely to have compounded the difficult circumstances Mr and Mrs W were experiencing at their time of vulnerability. This impact could be ongoing and may still be a subject of future complaints. My decision is for the period to December 2024. So, if Mr and Mrs W have other issues they can raise these in new complaints to Lloyds and these can be escalated to our service at a later date if needed.

Responses to my provisional decision

Mr and Mrs W accepted my provisional decision, and they didn't have anything further to add.

Lloyds accepted my provisional decision, and it didn't have anything to add.

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 both parties accept my provisional decision and haven't provided any new information, I haven't changed my decision.

My final decision

My final decision is that I uphold this complaint. I require Lloyds Bank General Insurance Limited pay Mr and Mrs W:

- An additional £1,700* compensation – for distress and inconvenience.

*Lloyds must pay the compensation within 28 days of the date on which we tell it Mr and Mrs W accepts my final decision. If it pays later than this it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

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

Pete Averill
Ombudsman