

The complaint

Mr W has complained about the way Lloyds Bank General Insurance Limited has handled a claim he made under his home insurance policy.

All reference to the insurer Lloyds in my decision includes its agents.

What happened

In July 2024 Mr W's home was damaged by an escape of water and shortly after by fire. He made a claim to his insurer, Lloyds.

Lloyds instructed a Loss Adjuster (LA) to deal with Mr W's claim on its behalf.

Mr W complained about the poor handling of his claim to Lloyds which it replied to in September 2024.

In March 2025 Mr W complained to Lloyds as he said no meaningful progress had been made with his claim.

In May 2025 Lloyds issued two final response letters. It upheld most of Mr W's complaints. It acknowledged that it had failed to progress his claim, hadn't called back when agreed and provided a general poor level of service.

Lloyds paid Mr W £1,500 compensation for the distress and inconvenience caused. It set out the next steps to progress his claim. It paid a further £75 compensation in May 2025 as the LA provided incorrect information about the level of cover Mr W held for matching sets.

Mr W asked us to look at his complaint in May 2025. One of our Investigators explained that we could only look at the complaints Lloyds replied to in May 2025 as the previous complaint was out of time for us to consider.

The Investigator agreed that Lloyds had failed to progress Mr W's claim. But he thought the compensation awards it had paid along with the agreement to move things on in the future was reasonable.

Mr W wants an ombudsman to decide. Although the Investigator explained that we cannot look at issues after Lloyds issued its final response letters on 9 and 19 May 2025, Mr W disagrees. He says the issues that continue are ongoing from his complaint. He says it is unfair that he has to again raise a new complaint with Lloyds about the poor service and lack of progress on the claim which continues.

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.

There is no dispute that from 19 September 2024 to 19 May 2025 Lloyds has failed to progress Mr W's claim. This is unreasonable and poor service. Insurers should deal with

claims promptly. I can understand Mr W's frustration and it is clear his experience of dealing with Lloyds at an already stressful time has been made worse.

Due to the continued delay since September 2024. in December 2024 Lloyds agreed Mr W could obtain a quote from a preferred builder for the works. But when Mr W submitted the quote in February 2025, Lloyds didn't agree with it. It said some of the works were not incident related and the quote seemed excessive. During this time, Lloyds has been responsible for avoidable delays and ultimately Mr W's claim hasn't progressed.

In May 2025 Lloyds said the LA would provide an unpriced scope of works (SOW) for Mr W's builder to work from and to take into account additional areas of smoke damage Mr W highlighted. I understand there has been further disagreement between Mr W and the LA about works moving forward. As the Investigator explained, if Mr W is unhappy with the way his claim is being handled since 19 May 2025, this is something he will need to first raise with Lloyds to give it an opportunity to respond, before we can consider. So I cannot make a finding about these concerns in my decision.

The compensation award Lloyds paid for its failings sits within the range we consider reasonable for the level of distress and inconvenience caused in this case for the period between September 2024 and May 2025. An award in this range is what we consider fair where the impact of an insurer's failing has caused substantial distress, upset and worry – even serious offence or humiliation. There may have been serious disruption to daily life over a sustained period, with the impact felt over many months, sometimes over a year.

I understand Mr W will be very disappointed. I agree with him that Lloyds has acted unreasonably. But I find that it has done enough to resolve his complaints up to 19 May 2025.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 2 January 2026.

Geraldine Newbold
Ombudsman