

The complaint

Mrs O complained about Lloyds Bank General Insurance Limited (“Lloyds”) poor handling of her claim following an escape of water, under her home buildings insurance policy.

What happened

In November 2023 Mrs O noticed damage from a leak originating in her bathroom. She contacted Lloyds to make a claim, which it accepted. She said an inspector looked at the damage and prepared a work schedule to include drying and the reinstatement of her property. Mrs O said the contractor appointed by Lloyds subcontracted the work.

Mrs O said that she and her husband were moved to alternative accommodation (“AA”) whilst work was carried out. When they returned, she said the builder hadn’t adhered to the work schedule. She said he patch repaired areas of plaster when this should have been removed in its entirety and replaced. Because of this remedial repairs were necessary. Mrs O said she felt forced to allow the builder back to remedy the poor-quality repairs. She explained this meant staying in AA for a second time.

Mrs O said that a few days after moving back to her home, staining and other issues were noticed. She also described damage to a fireplace, the stairway carpet, the kitchen sink and that her driveway was covered in debris. She said she was again pressured to get the builder to rectify his work. However, Lloyds eventually agreed to have the affected walls re-tested for damp. After this it was accepted that areas of damp remained. Another contractor was then sent by Lloyds to remove the affected plaster and complete the repairs.

Mrs O explained that she and her husband are not in good health. They have a family member living with them who also suffers from a health condition. She said the poor standard of repairs has caused significant distress and disruption. Because of this she complained to the business.

In its final complaint response Lloyds acknowledged Mrs O had to contact it on several occasions for updates. In addition, it said communication from its contractor not always been clear. Lloyds accepted there had been delays and workmanship issues. It said it would pay Mrs O £2,000 compensation to acknowledge this. However, it declined to comment on how it appoints its contractors.

Mrs O didn’t think Lloyds had done enough to put things right for her and she referred the matter to our service. Our investigator didn’t uphold her complaint. He said there had been some claim delays, poor communication and workmanship. But he thought the compensation Lloyds had paid was fair.

Mrs O disagreed with our investigator’s findings. She said the harassing telephone calls, emails and visit from the builder who originally completed the work caused extreme distress. She said she received several calls telling her the builder wasn’t happy as he wasn’t going to be paid. This caused her to worry and resulted in her installing cameras outside her home. Mrs O said her husband fell and broke his ribs whilst clearing up mess from their driveway. She believes this was due to the stress he was under. Because of all this she didn’t think

Lloyds had done enough and asked for an ombudsman to consider her complaint.

It 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.

Having done so I'm not upholding Mrs O's complaint. I'm very sorry for the distress that she and her family have experienced. But I think what Lloyds did to resolve matters was fair. Let me explain.

We expect all insurers to handle claims effectively and to ensure any repairs it arranges to be long lasting. I've thought carefully about whether Lloyds achieved this in relation to Mrs O's claim.

I can see from the claim records that an inspection of the damage took place within two weeks of the loss Mrs O reported. I think this occurred within a reasonable timeframe. The inspection report confirmed sections of ceiling and wall plaster would need to be removed as well as some flooring. Prior to any reinstatement works a period of drying was required and this meant the installation of drying equipment.

I've seen a certificate dated 4 March 2024 that confirmed the property was now dry. The records show that Mrs O was in contact with Lloyds regarding AA whilst the upcoming repairs were completed. This was agreed and the work began on or around 20 May at which time Mrs O and her family were staying in the AA.

At the end of May, Mrs O visited her home. This was shortly before she was due to return. She identified several issues with the repairs. The records show an extension was arranged to her AA rental. Around a week later she returned home but soon found the issues hadn't been resolved, particularly with damp plasterwork spoiling the decorations.

The claim records show the contractor disputed the need for further plasterboard to be removed. A note from 28 June 2024 reported that Mrs O was upset as she was told by Lloyds's contractor that its builder won't be paid if she didn't agree to allow him back to remedy the issues. She said she was made to feel guilty. I don't have a recording of a call where the contractor mentioned this to Mrs O. But her concerns were documented in the claim records at the time. I have no reason to doubt Mrs O's recollection of what was said. In these circumstances the contractor has clearly caused distress by his comments.

The original schedule of work said plaster was to be removed up to the stair well on all three walls. From the claim records the builder didn't think this was necessary and a smaller section of plaster work was replaced. In July 2024 when the property was inspected again, it was reported that one of the walls had been patched and sounded hollow and the plaster was blown in sections. The report said another wall was reading as "*saturated*". It was concluded that the plaster probably needed stripping, which included the removal of a radiator.

Having considered the evidence carefully the indication is that the builder incorrectly deviated from the original schedule of works, which resulted in the need for the remedial repairs.

A final drying certificate was issued dated 1 August 2024. AA was again arranged for Mrs O and her family for the period this was underway. The repairs were carried out by a different

builder. Given the valid concerns Mrs O had raised I think this was reasonable. But this did mean further disruption, distress and inconvenience. Mrs O hasn't raised concerns with the repairs once they were completed in late August. So, I've focused on the compensation Lloyds offered.

Lloyds's contractor was the reason remedial work was required. Some snagging issues can reasonably be accepted where significant works are carried out. But in this case, it appears that the builder made the decision not to complete the repairs as detailed in the schedule of works. This has caused Mrs O significant distress because of the disruption to her home and the need to live in AA on two occasions. She was also worried about being responsible for the builder/contractor potentially not being paid. The situation was made worse given Mrs O's health concerns and that of her husband and other family member who was living with them.

In these circumstances I think it's fair that Lloyds paid Mrs O compensation. By no means is it my intention to diminish the impact all of this had on her and her family. I fully accept that Lloyds failed to ensure the repairs her home needed were carried out effectively. However, Lloyds agreed to pay £2,000, which I think is a fair amount. This aligns with the approach our service takes when awarding compensation.

How Lloyds appoints contractors is a commercial decision for it to make. I understand Mrs O's concern with the work carried out by the contractor employed in this instance. I'm satisfied this has been addressed. But I don't think it's reasonable to require the business to provide further details about its processes. So, although I'm sorry Mrs O remains dissatisfied, I can't reasonably ask Lloyds to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 24 December 2025.

Mike Waldron
Ombudsman