

The complaint

Mr and Mrs G complained that Lloyds Bank General Insurance Limited (“Lloyds”) unfairly declined their claim when a leak from their bathroom caused damage to the downstairs of the property.

What happened

Mr and Mrs G made a claim when they noticed water damage in the downstairs of their property.

Lloyds appointed a surveyor to review and validate the claim. Based on the surveyor’s report, Lloyds decided to decline the claim. It said the leak was caused by the failure of sealant or grout around the bath which it explained is excluded under the terms of the policy.

Mr and Mrs G disagree with the finding and want their claim settled in full.

Our investigator decided not to uphold the complaint. He thought Lloyds had declined the claim fairly and in line with the policy terms and conditions. Mr and Mrs G 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.

Having done so, I won’t be upholding this complaint. I know this will be disappointing for Mr and Mrs G, and I appreciate Mr G has experience in identifying and fixing leaks. However, after examining the evidence, I think Lloyds has reached a fair decision. I’ll briefly explain my reasoning.

Lloyds when declining the claim said:

“Upon inspection, there was no sign of any leak from a home appliance, fixed water or heating system. A water test was undertaken to verify this point. Furthermore, there was visual evidence of leaks from below the bath seal and shower screen which was also confirmed by Protimeter readings taken on the wall and timber frame.

As discussed, the failure of sealant or grout is excluded under the terms of the policy and so unfortunately, we are unable to accept your claim in this instance. We realise you will be disappointed by our decision but trust we have clarified our position”.

An insurance policy only covers a policyholder for certain events. For a leak to be covered it would need to originate from a home appliance, fixed water or heating system, which is why Lloyds tested the pipework to see if they could identify the cause of the leak. Mr and Mrs G said they thought the leak was coming from the shower, but there was no evidence supplied showing the source of the leak. Later, Mr and Mrs G said they thought the damage was caused when they got in and out of the bath.

I can see Lloyds carried out a test on the pipework, they ran the water for three minutes and this didn't show any leaking. I appreciate Mr and Mrs G felt this should've been done for longer, but this was a simple test to see if there is obvious cause of the leak.

Lloyds has also provided the photographs taken by the surveyor and his report. I've reviewed these and I find they support the conclusion Lloyds has made, including :

- the photographs show evidence of a leaking shower screen, and there are water marks on the timber below the bath at this point
- the surveyor reported the first two rows of tiles had been replaced around the bath evidencing a previous repair and recent application of a silicone bath seal
- significantly, there are water marks running down tiles below the bath and the floor below the bath is rotten.

I find the evidence provided by the surveyor persuasive and supports the conclusions Lloyds has made. I haven't seen any expert reports provided by Mr and Mrs G which contradict these findings.

I've checked the policy and it excludes "wear and tear, normal use and damage over time. We won't pay claims for damage that happens slowly over time". As I think Lloyds has shown the damage occurred gradually over time, and it hasn't been proven the leak wasn't caused by something covered in the policy, I think it has been fair to decline the claim.

I appreciate Mr and Mrs G are unhappy with the decision to decline the claim, but I've found the evidence provided by Lloyds very persuasive, and ultimately the damage wasn't something that was covered by the policy. If Mr and Mrs G are able to provide evidence of the leak coming from a home appliance, fixed water or heating system, I have no doubt that Lloyds would be happy to have a look at it, but as no evidence currently exists, I think Lloyds has reached the right decision.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mrs G to accept or reject my decision before 3 December 2025.

Pete Averill
Ombudsman