

The complaint

Mr and Mrs M have complained about Lloyds Bank General Insurance Limited (Lloyds') decision to reject a claim they made for storm damage under their home insurance policy.

What happened

Mr and Mrs M made a claim following a storm to Lloyds for damage to their property.

Lloyds' said the damage was to an outbuilding. It said that outbuildings required optional additional insurance when Mr and Mrs M bought the policy. As Mr and Mrs M didn't purchase such additional cover, Lloyds said it wouldn't meet the claim.

Mr and Mrs M disagree that the outbuilding is separate to their home. One of our Investigators didn't recommend the complaint should be upheld. She thought Lloyds' policy set out the definition of an outbuilding and its decision to reject the claim was reasonable. For some poor communication and a delay dealing with the claim, Lloyds paid £100 compensation, which the Investigator thought was fair.

Mr and Mrs M want an ombudsman to decide. They believe the structure in question is not an outbuilding and is part of their property. So they want Lloyds to meet their claim.

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.

Mr and Mrs M's policy with Lloyds says it provides cover under the Buildings section as follows:

"Buildings - Private residence cover This covers the buildings of your home but not structures that aren't attached, like your detached garage or your shed. It also includes permanent fixtures and fittings like your fitted kitchen and your bathroom."

And;

"Additional cover that can be added to your policy Buildings insurance:

- *Outbuildings cover*
- *Accidental damage cover"*

Lloyd's provides the following definition for 'outbuildings;'

"Any fixed structures that aren't attached to the house, bungalow, flat or maisonette and which are at the address shown on your policy schedule. For example, garages, stables, greenhouses, sheds, and summerhouses. This includes their permanent

fixtures and fittings. These should all be used for private residential use, and only for the business use that we've agreed."

Mr and Mrs M did not purchase the optional cover for outbuildings when they bought their policy with Lloyds.

From the photos provided of the structure in question, it is a building outside and separate to the main structure of the house. There is a wall between the house and the structure, but this is decorative and provides no structural reliance between the building in question and the house. The damaged structure is one that can only be accessed by going outside of the main house.

A conservatory or extension will share a roof, foundations, and direct internal access to the main house. So I'm satisfied that the conclusion reached by Lloyds and its appointed assessors in deciding the damaged structure is an outbuilding was fair.

Lloyds' acknowledges that at times its communication could have been better when dealing with the claim. It acknowledged that it caused some delays in reaching a decision on Mr and Mrs M's claim. Webchat transcripts show there was some confusion over questions Mr and Mrs M asked about the definition of an outbuilding and a decorative wall.

For the distress and inconvenience caused by Lloyd's poor service, it paid Mr and Mrs M £100 compensation. I find this to be reasonable and in line with awards we give in similar cases.

I understand that the disruption and upset caused by the damage, along with having their claim rejected, has resulted in a distressing time for Mr and Mrs M.

But I think Lloyds' decision to decline the claim for storm damage was reasonable and in line with the policy. Lloyds' excludes cover for damage to outbuildings, trees and fences under the home insurance policy Mr and Mrs M bought, unless optional additional cover was purchased. That doesn't apply in this case. So this means I'm not asking Lloyds to do any more.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr M to accept or reject my decision before 16 March 2026.

Geraldine Newbold
Ombudsman