

## **The complaint**

Mr and Mrs B complain about Lloyds Bank General Insurance Limited's handling of their home insurance claim.

Lloyds is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agents. As Lloyds has accepted it is accountable for the actions of the agents, in my decision, any reference to Lloyds includes the actions of the agents.

Mr and Mrs B are joint policyholders, but most of the communication regarding the claim and complaint has been from Mr B. So, I'll refer mainly to him in my decision.

## **What happened**

In August 2024, Mr and Mrs B made a claim under their home insurance policy with Lloyds after their home was damaged by a fire.

Lloyds arranged for contractors to carry out the reinstatement work, which began in late 2024.

In April 2025, Mr B raised a complaint about the quality of the work that had been carried out. Lloyds agreed the workmanship was poor and the contractors had caused additional damage. It agreed for Mr and Mrs B to use their own contractors and covered the costs of the rectification works. It also paid Mr and Mrs B £500 to compensate them for the poor service they'd received.

Mr B remained unhappy and referred his complaint to the Financial Ombudsman Service.

Our investigator didn't think Mr and Mrs B's complaint should be upheld. She acknowledged there had been some poor service. But she thought the £500 Lloyds had paid Mr and Mrs B was sufficient compensation.

Mr B disagreed with our investigator's outcome. He provided some further comments about the poor quality of the contractor's work, poor communication and avoidable delays. He said he didn't think Lloyds had taken accountability for the issues which were due to it employing an incompetent contractor in the first place. So, the complaint 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've decided not to uphold Mr and Mrs B's complaint. I'll explain why.

I've considered everything Mr B has told our service, but I'll be keeping my findings to what I believe to be the crux of his complaint. I wish to reassure Mr B I've read and considered everything he has sent in, but if I haven't mentioned a particular point or piece of evidence, it isn't because I haven't seen it or thought about it. It's just that I don't feel I need to reference

it to explain my decision. This isn't intended as a discourtesy and is a reflection of the informal nature of our service.

I thought it would be helpful to provide some clarity about the Financial Ombudsman Service's role and the scope of the complaint that I'm deciding. Our role is to resolve disputes between complainants and financial businesses, to help both parties move on. It isn't our role to handle a claim or to deal with matters as they arise. In this decision, I've considered events complained of up until Lloyds' final response letter of 8 May 2025.

Mr B says there were significant delays in the progression of the claim. He says the quality of the work carried out by Lloyds' contractors was poor and they caused additional damage to some items as no protection was used. He and Mrs B were also concerned about safety because live wires were left exposed in the kitchen, and the stopcock had been boxed in.

Lloyds has acknowledged that the work carried out by its contractors was of a poor standard. It accepted that the contractors had caused some additional damage to Mr and Mrs B's home. It agreed to cover the costs of Mr and Mrs B using their own contractors to rectify the issues raised and complete the reinstatement work. Lloyds arranged for the damaged items to be assessed.

I understand the exposed electrical wiring was particularly worrying for Mr and Mrs B, given that there had already been a fire in their home. However, Lloyds arranged for an electrician to attend the day after Mr and Mrs B made them aware of the problem. So, I'm satisfied it took their concerns seriously and arranged for the issue to be rectified promptly.

From my review of the claim, I am persuaded there were some avoidable delays in its progression. For example, there was a delay in the contractors arranging repairs after the scope was authorised. The fact that work needed to be redone also prolonged the claim.

I understand this was a very distressing situation for Mr and Mrs B, who also had the inconvenience of having to find their own contractors to carry out the work. However, when thinking about a fair award for compensation, I need to separate the impact of the fire event itself from the additional distress and inconvenience Mr and Mrs B experienced as a result of Lloyds' poor service.

No matter how well Lloyds had handled the claim, Mr and Mrs B would always have experienced some distress and inconvenience as a result of the damage to their home and the claims process.

Lloyds has paid Mr and Mrs B £500 compensation. This is in the range of what our service would typically award where the impact of a business's mistakes has caused considerable distress, upset and worry – and/or significant inconvenience and disruption that needs a lot of extra effort to sort out. So, I think this amount reasonably recognises the distress and inconvenience Lloyds is responsible for Mr and Mrs B experiencing for the period I've been able to consider here.

I appreciate my answer will be disappointing for Mr and Mrs B, but I'm not persuaded to award any additional compensation.

### **My final decision**

For the reasons I've explained, I don't uphold Mr and Mrs B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mrs B to accept or reject my decision before 17 March 2026.

Anne Muscroft  
**Ombudsman**