

## **The complaint**

Mrs C has complained that Lloyds Bank General Insurance Limited (“Lloyds”) unfairly declined a claim after her garden wall fell.

## **What happened**

Mrs C held a building and contents insurance policy with Lloyds between June 2024 and June 2025. In April 2025, her garden wall collapsed and she made a claim, saying she believed something had hit the wall.

Lloyds sent a contractor to inspect the damaged wall, but the contractor concluded that the wall had fallen due to the natural breakdown of materials, and not due to an impact. Lloyds said that damage caused by gradually operating causes wasn’t covered, so it declined Mrs C’s claim on that basis.

Mrs C complained about Lloyds’ decision. In its responses to her complaint, it said based on the findings of its contractor’s report, the damage was caused by wear and tear which wasn’t covered by her policy. Mrs C didn’t agree, so she referred her complaint to the Financial Ombudsman Service.

Our Investigator considered the complaint, but didn’t think it should be upheld. He said it was fair for Lloyds to conclude that the damage had been caused over time, based on the findings of its contractor.

As Mrs C didn’t accept our Investigator’s assessment, the complaint has now been referred to me for an Ombudsman’s decision.

## **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.

As this is an informal service, I’m not going to respond here to every point raised or comment on every piece of evidence Mrs C and Lloyds have provided. Instead, I’ve focused on those I consider to be key or central to the issue in dispute. But I would like to reassure both parties that I have considered everything submitted. And having done so, I’m not upholding this complaint. I’ll explain why.

The insurance industry regulator, the Financial Conduct Authority (FCA), has set out rules and guidance about how insurers should handle claims. These are contained in the ‘Insurance: Conduct of Business Sourcebook’ (ICOBS). ICOBS 8.1 says an insurer must handle claims promptly and fairly; provide reasonable guidance to help a policyholder make a claim and give appropriate information on its progress; and not unreasonably reject a claim. I’ve kept this in mind while considering this complaint together with what I consider to be fair and reasonable in all the circumstances.

Insurance policies aren’t designed to cover every eventuality or situation. An insurer will

decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. The test then is whether the claim falls under one of the agreed areas of cover within the policy, and isn't excluded from cover.

When making a claim on an insurance policy, it is for the insured – so in this case Mrs C – to demonstrate she's suffered a loss covered by the policy. If she can do so, then Lloyds will need to accept the claim unless it can show it can fairly rely on a valid exclusion to decline it. Here, it's understandable why Mrs C made the claim and thought it would be covered by her policy. And Lloyds sent a contractor out to inspect the damage as it considered the possibility that it may have been caused by an insured event and therefore covered by the policy.

But following the inspection, Lloyds concluded that the damage wasn't covered due to the following policy exclusion:

*“General Exceptions that apply to Sections 1 to 3:*

*This policy does not cover the following*

*1. Damage caused over time*

*Loss or damage arising from causes that happen gradually over time including deterioration, wear and tear, corrosion, rot, or similar causes.”*

I've seen the report produced by Lloyds' contractor, and the photos that were taken. And I'm satisfied that it was fair for Lloyds to conclude, based on the evidence it had been provided with, that the damage was caused by the natural breakdown of materials, and was therefore caused by wear and tear – something specifically excluded by the policy.

I say this because it's difficult to see from the photos how the wall, which is adjacent to the driveway, could've been impacted and there's insufficient detail about this. The damage also isn't limited to one specific area alone. I think the photos support the commentary provided by Lloyds' contractor, who concluded that the wall had collapsed due to a natural breakdown in materials. Unfortunately, this isn't a cause covered by Mrs C's policy, so I'm afraid I won't be requiring Lloyds to do anything differently here.

If Mrs C is able to provide further evidence which might suggest the damage was caused by something else, then she should send this to Lloyds for it to consider.

## **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 C to accept or reject my decision before 27 January 2026.

Ifrah Malik  
**Ombudsman**