

## **The complaint**

Mr C complains about Society of Lloyd's (SOL) handling of his home insurance claim and its claim decision.

SOL has been represented on the claim by its agents. All references to SOL include its agents.

## **What happened**

Mr C had a home insurance policy with SOL. In May 2019, he made a claim for damage to his main property and conservatory. SOL arranged monitoring of the property in late 2019.

SOL accepted the claim and drainage repairs were completed in 2020. Mr C then raised concerns about further damage to the property and SOL suggested this could be due to a lateral restraint issue. Mr C arranged a report in November 2021 that disputed this.

SOL concluded monitoring around October 2022. In early 2023, in internal communications, SOL accepted the claim for damage to the main house and the conservatory. It instructed its agent to proceed with the claim and works on this basis. SOL didn't inform Mr C of this decision. And no works were carried out.

In April 2024, SOL declined to cover damage to the main house. It said this damage was excluded under the policy terms. But it agreed to cover the damage to the conservatory.

Mr C arranged a further report between May and June 2024. This outlined concerns about SOL's approach and findings. It said there was subsidence damage to the main house.

Mr C complained about SOL's decision not to cover damage to the main house.

SOL issued a final complaint response in December 2024. Given the conflicting views on how to settle the claim, it offered to appoint a further expert, not previously involved in the claim, to decide on the damage and cover. It accepted Mr C's claim had been poorly handled and awarded £1,000 compensation.

Mr C referred his complaint to the Financial Ombudsman Service. He was unhappy with the time taken for SOL to reach its conclusion. And he wasn't happy with the compensation SOL awarded. After discovering SOL had approved the claim in full in 2023, he questioned why this wasn't actioned at that time.

The Investigator didn't recommend the complaint be upheld. They reviewed SOL's actions up until the complaint response in December 2024. They agreed the time SOL had taken on the claim was excessive, but they said the £1,000 compensation it awarded was fair. And because they considered SOL's offer to appoint a further expert to be a reasonable way to progress the claim, they didn't recommend SOL do anything else.

Mr C didn't agree. He remained unhappy with SOL's failure to act on the 2023 decision and instructions. He said there had been many years of delay as a result. And he outlined concerns with amendments made to some of the figures in SOL's reports.

I issued a provisional decision partly upholding the complaint, and in it I said:

*“Mr C has provided a lot of information in support of his complaint. I assure Mr C that I’ve taken everything he’s provided into account. But in this decision I’ve focused on what I think are the key issues in this complaint. No discourtesy is intended by this, but it simply reflects the informal nature of the way that the Financial Ombudsman Service reviews complaints.*

*My role isn’t to decide the claim or decide what caused the damage to Mr C’s property. My role is to decide whether SOL acted fairly and reasonably in deciding the claim. And in doing so, I’ve considered SOL’s actions up until its complaint response in December 2024. I understand an expert may have been appointed since then, and an inspection may have been carried out, but I’m not able to consider these matters under this decision as they don’t form part of the original complaint.*

*Mr C made the claim in 2019. Between then and January 2023, I can see SOL reached different views about the likely cause of damage, and how it intended to decide the claim. But the evidence shows in 2023, SOL accepted the claim for damage to both the main house and the conservatory. It accepted there was insufficient evidence to support its previous comments on the lateral restraints. And it instructed its agent to proceed with the claim and works, on the basis cover for the damage was accepted.*

*But despite the above, in April 2024, SOL made the decision to decline cover for damage to the main house. And this decision appears to be based on the same information that was available in 2023, given that monitoring concluded in late 2022. I understand that SOL’s decision was based on monitoring readings showing movement to the main house that its agent said was within tolerance. But SOL hasn’t provided an explanation for the time taken between the above dates, in order to reach its decision.*

*Given the overall time taken by SOL to reach a decision, and the evidence of long periods without meaningful progress, I’m satisfied that SOL didn’t handle Mr C’s claim fairly or reasonably. This includes the periods before and after SOL’s decision in 2023. I’ve also seen evidence to show Mr C had to chase for updates on the claim on many occasions.*

*I’m conscious that SOL, in its complaint response, didn’t make or commit to a decision on the claim. Instead, given the conflicting views on the claim, it offered to appoint a new expert to make a decision on the damage and claim. I agree with the Investigator that this is a reasonable way to move the claim forward in the circumstances.*

*I’ve also considered the information from Mr C’s expert and the report from 2024. Having reviewed the contents of the report, I’m not satisfied that it represents a balanced appraisal of the matters under the claim. So I don’t think SOL acted unfairly in not acting in line with the recommendations of this report. But given the concerns raised in the report, I don’t think it was unreasonable for SOL to offer to appoint a further expert.*

*I’ve also noted Mr C’s comments about amended details in some of the later monitoring reports. I agree there appear to be changes in some of the figures quoted within the reports, and I can’t see that SOL has accounted for or explained these changes. But I don’t consider the variations to be significant enough as to suggest movement to the main property indicating subsidence. And in any case, given the concerns about SOL’s monitoring and data, I don’t think it was unreasonable for SOL to offer to appoint a further expert to review all matters.*

*As outlined above, I consider SOL had all the information it needed, to reach a reasonable conclusion in January 2023. So I think it ought to have made and communicated its decision around that time. Because it didn’t, I consider it caused severe delay to the progression and*

*conclusion of the claim. And I think this meant Mr C was left to wait on a conclusion to the claim, with damage affecting his main house, albeit it didn't render the property uninhabitable.*

*Mr C has said the delays impacted on his mental health, his work and family life. Given the significant length of the delay in resolving the claim, I'm satisfied the handling of the claim, and the delays, would have had a significant impact on Mr C. So, I think SOL's actions overall, likely caused Mr C sustained distress and inconvenience, affecting his health and the enjoyment of his home, for a number of years. For this reason, I don't consider the £1,000 SOL awarded to be fair and reasonable. In the circumstances, I think a total award of £2,000 (instead of £1,000) is fair, so this is what I intend to direct SOL to pay Mr C."*

Mr C said he was happy to accept the decision. SOL said it paid £1,000, but a total of £1,500 would be fair. SOL said some of the impact on Mr C was caused by his expert.

### **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.

I note SOL's comments on Mr C's expert, but I'd acknowledged in my provisional decision it was fair for SOL not to act in line with that expert's recommendations. The reason why I'd reached the conclusion I did on the compensation, is because I considered SOL had all the information it needed, to reach and communicate a reasonable decision in January 2023. I've not seen any further evidence from SOL to persuade me otherwise. So I still consider SOL caused severe delay to the progression and conclusion of the claim, independent of Mr C's expert, and Mr C was left to wait a very long time on a conclusion to the claim, with damage affecting his main house.

I've read SOL's comments in full, but in the circumstances of this complaint, keeping in mind the length of the delay, and the likely impact of this on Mr C, I still think a total award of £2,000 is fair. So this is what I will direct SOL to pay. If SOL has already paid Mr C £1,000, it would only need to pay a further £1,000 to bring the total to £2,000, in line with my direction.

### **My final decision**

My final decision is that I uphold this complaint. Subject to my comments above, I require Society of Lloyd's to:

- Pay Mr C a total of £2,000 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 12 March 2026.

Monjur Alam  
**Ombudsman**