complaint

Mrs T complains that Lloyds Bank General Insurance Limited (Lloyds) won't pay all her claim for work needed to repair damage caused by a leak in her bathroom.

background

Both parties know what's happened in this complaint so I'm not going to go into much detail. In summary, Mrs T found that her kitchen ceiling had collapsed. She got a plumber in who said he couldn't find a leak. Lloyds agreed to send a surveyor round to look at the problem. He didn't see any problems in the bathroom or think the ceiling collapse had been caused by a leak.

Some time later Mrs T got confirmation that a cracked tile was probably the cause of a leak and damage. By the time Mrs T told Lloyds about this she'd had the repair work done. That cost a lot more than Lloyd's surveyor thought fixing the kitchen would. Lloyds said it would only pay for the surveyor's estimate of costs – about £650 after Mrs T's excess is deducted – as it hadn't approved the work before it was done.

Our adjudicator agreed with Lloyds. Mrs T doesn't think this is fair and so I've been asked to look at the complaint.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mrs T has raised several questions in her response to the adjudicator's opinion. I can assure Mrs T that I've taken into account what she's said. I've also listened carefully to all the call recordings provided, looked at the notes Lloyds kept about the claim and read all the reports provided by various surveyors and plumbers. I don't favour either party – I consider the evidence that's been provided.

I haven't seen anything that persuades me that Lloyds hasn't given us all the information it has about her claim. And whilst I accept that there are some silent parts in the calls, they all fit with the Lloyds member of staff asking to put Mrs T on hold. There's no indication they've been altered.

When Mrs T initially called Lloyds she was told to get a plumber in to find the leak (if there was one) and fix it – because her insurance wouldn't pay for that. Mrs T did that and the same day the plumber spoke directly to Lloyds and said he couldn't find an obvious leak – but it might be a seal round the bath. During the same call Mrs T's son says he thinks the ceiling has come down because of humidity in the kitchen over a long period of time. At this point there's no obvious cause for the collapsed ceiling.

Lloyds says it will help Mrs T fix the damage in the kitchen and says she can get a quote for that and have cash towards this or that Lloyds will arrange for the repairs. Mrs T says she wanted Lloyds to sort it out – so it was arranged that a loss adjuster would call.

During these early calls Lloyds tells Mrs T several times that she can clear the mess in the kitchen so it is safe/useable. It doesn't say it will pay for this, and Mrs T doesn't mention getting anyone in to do that. However the amount Lloyds has offered would cover the cost of removing the debris – which is fair.

The loss adjuster's visit

Mrs T says Lloyds never raised the issue of the loss adjuster saying he couldn't get into the bathroom to check for leaks until after she complained to this service. That was in April 2015. However, I've listened to a call between Mrs T and Lloyds in early January 2015 where this point was discussed. I don't think there was an agreement either way on what happened, although it's clear Mrs T wasn't in the house when the loss adjuster visited. I realise that Mrs T might not recall this conversation – but it did take place.

Having said that, there are a couple of photos of the bathroom that were taken by the loss adjuster, so he got at least as far as the doorway. The photos don't show any obvious damage – but the floor is covered and the side of the bath appears to be tiled, so unless the loss adjuster could start taking these apart I don't think he would have been able to see more than he did.

There are several photos of damage in the kitchen and although these show some water stains on the wood of the bathroom floor (which you can see as the ceiling has come down) they don't look extensive. There has clearly been a problem at some point, but I can't say when, or whether that was what made the ceiling collapse.

Did Lloyds say Mrs T could get the repairs done and that it would then pay for these?

It was eventually discovered that a cracked tile was the cause of the problem. That was in March – so about two months after the loss adjuster's visit. Lloyds accepted that there was a leak and wanted to see what repair works were needed. During the call I listened to, Mrs T said she'd already had the work done in both the kitchen and the bathroom and it cost £4,025. Lloyds asked for the invoice so it could see what had been done. That's entirely fair as I'd only expect Lloyds to pay for damage specifically caused by the leak.

A couple of weeks later Lloyds said it would only pay for the damage its loss adjuster saw on his visit. It based that decision partly on the fact that it hadn't agreed to repairs that were much more expensive than it was expecting.

Again I've listened carefully to the calls. In none of them does Lloyds say Mrs T can get a local repairer in and it will pay for the repairs. As I said above, the early discussion was about getting a quote for fixing the kitchen or for Lloyds arranging for the work to be done. Mrs T opted to get Lloyds to arrange things.

I can understand why Mrs T decided to get the work done herself – but I haven't seen or heard anything where Lloyds agreed it would pay for anything other than the damage its surveyor reported.

Were the repairs reasonable?

I'd expect any insurer to want to know what a claim was going to cost before repairs started. But, given Mrs T had had the work done and there was an acceptable explanation for the leak, Lloyds said it would look at the invoice for the work. I think so long as Lloyds could see the detail of what work had been done it would be reasonable for it to pay for the things Mrs T's insurance covered.

I've seen the invoice for the work. It's not very clear what work has been done, although it does mention fitting a new toilet. That's not something I'd expect to be necessary, given Mrs T said she'd not had to have a new bath.

I don't know if all of the work would be covered by Mrs T's insurance. Neither does Lloyds. I can see it's tried to talk to the builder who did the work to find out what he did and why, and it's also asked Mrs T to get a detailed breakdown of the work. Neither approach has produced any more detail.

Mrs T's policy requires her to give Lloyds any information it needs to assess the proper cost of her claim. It may well be that Lloyds should pay towards the bathroom repairs – but it's also reasonable for it to know exactly what it's paying for. Unless Mrs T can provide the information asked for, I wouldn't ask Lloyds to pay her more than the amount it's currently offered.

Based on the evidence I've seen and heard I'm not going to uphold this complaint.

The photos Mrs T sent us in June 2015 show a fully refurbished bathroom and some of the room before it was fixed. We've given them to Lloyds so it can reconsider its position. Lloyds says Mrs T will need to raise a new complaint if she remains unhappy with the offer. That's because Lloyds hadn't seen the photos before it issued its final response letter in April. It's entitled to do that so I haven't taken them into account in this decision.

my final decision

My decision is that I'm not going to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 18 February 2016.

Sue Peters
ombudsman