

The complaint

Mr A and Mrs G are unhappy with the settlement Lloyds Bank General Insurance Limited (LBG) offered for their storm damage claim.

Mr A and Mrs G jointly held buildings and contents insurance underwritten by LBG. For ease of reading, I'll refer mainly to Mr A and any reference to LBG includes action taken by its agents.

What happened

Mr A raised several complaints with LBG. He said it:

- incorrectly declined his storm damage claim;
- incorrectly declined his claim for damage inside his home;
- made a low cash settlement offer after accepting his ceiling damage claim, and
- made a further, but still low, offer despite reassessing the claim

In response to the complaints, LBG:

- declined the roof damage claim because it didn't think the damage was caused by a storm;
- identified some service shortfalls and offered Mr A £200 in total by way of apology;
- agreed to settle the internal damage claim;
- agreed its first offer was based on an incorrect assessment of the claim, and
- increased its cash settlement offer to reflect its own costs.

The circumstances are well known to both parties, so I've only summarised them here. I'll focus on explaining the reasons for my 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.

Having done so, I've decided not to uphold Mr A's and Mrs G's complaint.

Storm

Mr A claimed under his policy for storm damage. In order for his claim to succeed there'd need to be reasonable evidence that there was a storm and that the storm, more likely than not, caused the damage.

LBG said the weather conditions didn't meet the policy definition of a storm. I've looked at the policy definition and the weather report from the day Mr A said the damage happened. I agree that the conditions didn't meet the policy definition, but the weather report does indicate strong winds and heavy rain. Based on this evidence, while there wasn't a storm as defined by the policy, I think it's fair to consider that conditions local to Mr A could've been

more severe. Therefore, I considered whether, if there were storm conditions, the claim would've succeeded.

LBG inspected the damaged roof and I've seen the report and photos. Although Mr A's evidence is that his roof was in good condition, the report indicates otherwise. LBG's expert said the flat felt roof was in poor condition and the surface was worn and missing in places. The photos support what LBG's expert said and I, too, can see the evidence of cracking, splitting, and small sections of lifted felt.

The evidence indicates that if the strong winds and heavy rain resulted in damage to Mr A's roof, it's likely because the condition was already poor. Therefore, LBG reasonably declined this part of his claim in line with the policy.

Ceiling damage

LBG declined Mr A's claim for damage to his bedroom ceiling, which he said was caused by rain coming through the roof. It later accepted his claim and offered a settlement. But Mr A said it didn't cover the cost to him.

I've looked at why LBG offered the amount it did. Its first offer was around half the amount of its second offer because its contractor assessed the claim incorrectly. LBG acknowledged the mistake and made a payment to Mr A by way of apology. Its final offer reflected the amount it would've cost its contractors to do the work. While Mr A said it still doesn't cover his invoiced cost, he hasn't provided LBG with evidence of the breakdown of work done. In the absence of evidence to support Mr A's claimed costs, I don't find that LBG made an unreasonable settlement offer. I also note LBG offered to do the work rather than cash settle so, in line with the policy, it is entitled to settle the claim at its own cost to repair.

Therefore, I'm satisfied that LBG's offer was in line with the policy, and I see no reason to ask it to do any more here.

Compensation

LBG paid Mr A £200 compensation for the mistakes it made handling his claim. I've looked at the individual complaints - such as failing to provide a link, not offering a settlement, then offering a low settlement - and I accept that LBG caused some avoidable, additional inconvenience to Mr A. However, its payment to him is what I'd expect in the circumstances, so I see no reason to ask it to pay any more.

Overall, I'm satisfied that the evidence indicates LBG's decision to decline the roof damage claim was fair and reasonable. While LBG caused some avoidable delays and inconvenience in its handling of the ceiling damage claim, the evidence shows that LBG reconsidered the claim fairly and reasonably and paid compensation in line with what might reasonably be expected in the circumstances.

Therefore, my decision is that LBG put matters right where appropriate and that it reasonably and fairly declined the storm damage claim.

My final decision

For the reasons I've given, my final decision is that I don't uphold Mr A's and Mrs G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A and Mrs G to accept or reject my decision before 30 November 2023.

Debra Vaughan
Ombudsman