

The complaint

Mrs E and Mr M complain Lloyds Bank General Insurance Limited (trading as Halifax) handled their home insurance claim poorly.

The policy is held by Mrs E and Mr M. Mr M's been the main contact with Lloyds and this service for the claim and complaint. So for simplicity I've referred only to Mr M in this decision.

What happened

In June 2021 Mr M's property suffered an escape of water. He claimed against his Lloyds home insurance policy. Towards the end of 2022, unhappy with how it was handling the claim, he complained to Lloyds.

Lloyds issued a complaint response in January 2023. It apologised for delays in progressing the claim. It paid Mr M £300 compensation in recognition. Lloyds didn't accept it had failed to recognise, and provide suitable for support, for Mr M's family's needs. In March 2023 Lloyds issued a further complaint response. It accepted it had given him an incorrect explanation about how it was required to communicate during complaints. It paid him a further £50 compensation.

Mr M wasn't satisfied so came to this service. He raised several complaint points. Some of those, including the adequacy of Lloyds' cash settlement, are being considered in a separate complaint with this service. This provisional decision focuses on the customer service concerns of Mr M up until the final response of March 2023. These include Lloyds' failures to consider the needs of him and his family and to respond to a Subject Access Request (SAR). Mr M would like it to pay him a significant award for distress and inconvenience.

Our Investigator felt £350 compensation paid by Lloyds was enough to recognise the impact of its mistakes. Mr M didn't accept that outcome, so the complaint was referred to me to decide.

I issued a provisional decision. Its reasoning forms part of this final decision, so I've copied it in below. In it I explained why I didn't intend to require Lloyds to pay Mr M any additional compensation or to do anything differently. I also invited both to provide any further comments or information for me to consider before issuing this final decision.

Lloyds responded to say it had nothing further to add. Mr M responded to appeal against my provisional decision. He made various points. I've responded to those I feel it necessary to below.

what I've provisionally 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 or piece of

evidence Mr M and Lloyds have provided. Instead I've focused on those I consider to be key or central. But I would like to assure both that I have considered everything provided. Mr M's raised various legislation and guidance in his complaint correspondence. Whilst I haven't referred to them directly in this provisional decision, I'd like to assure him I have taken them into account when considering his complaint.

A key concern of Mr M's is that Lloyds has failed to take appropriate actions, or make reasonable adjustments, to account for the particular needs of him and his family. He's explained members of his household, including himself, have various disabilities.

Lloyds feels it's adequately considered the needs of Mr M and his family. It explained it's gone beyond its normal level of service. It's referred to its agreement to provide alternative accommodation (AA) in recognition of the specific needs of the family – when it wouldn't have done so otherwise. In addition it agreed for him to source the AA – in order to find something suitable for the family's specific needs. Lloyds also referred to scheduling visits to Mr M's home in advance to minimise the impact on the family.

I've considered everything Mr M's said about the progress and handling of the claim. But overall I can't say Lloyds has failed to take account of, and respond reasonably to, the needs of his family.

Mr M's complained specifically about Lloyds' method of communication when he raised his concerns about the claim. He says it failed to make reasonable adjustments to allow him to do so by email. His condition means email is his preferred and primary method of communication.

Lloyds did provide an incorrect explanation for why it couldn't communicate about his complaint by email. It was a risk and system capability issue, rather than a regularity one as it had claimed. I accept being given incorrect information will have been confusing and frustrating for Mr M.

But it seems Mr M was able to communicate his concerns for the complaint via his claim consultant. So Lloyds did provide him with a feasible facility. Mr M still doubts Lloyds' explanation for not being able to communicate directly by email. However, in any event, I can't say it failed to make a reasonable adjustment for him.

Lloyds communicated with Mr M, for the claim, via his preferred method of communication – email. He's highlighted the length of time it took to respond to his messages. It did take longer to respond to some than might be expected. I understand that caused him distress and inconvenience. I've taken that into account as part of my consideration of the overall compensation award.

I've considered if Lloyds caused avoidable delays and failed to progress the claim at a reasonable speed. Mr M initially contacted the insurer in June 2021. Nothing of significance happened on the claim until June 2022. It's not entirely clear why.

But from what I've seen in August 2021 Lloyds sent Mr M correspondence requesting further details of the claim – including photos of damage. It doesn't look he provided anything in response. So the claim didn't progress until he made contact again the following summer. I'll consider any further evidence provided in response to this provisional decision. However, I can't currently say Lloyds was responsible for the claim failing to progress in the initial twelve months.

From June 2021 onwards Lloyds accepts, and paid compensation for taking too long to progress the scope of works at certain points. I accept during this period there were a few incidents of avoidable delay. But having considered the timeline and correspondence, Lloyds was engaged in the claim and progressed it in reasonable time.

During the summer of 2022 Lloyds was active on the claim. The claim was complicated by Mr M's requirement that undamaged areas of flooring be replaced for aesthetic reasons. Lloyds in response was looking into the possible different solutions. During August and September it was in discussion with its contractor about the matter. In October Lloyds explained to Mr M it would, due to his requirements for the flooring, be offering a cash settlement.

The following month it provided a proposed settlement. It also said it would consider quotes from Mr M if he provided them. In the following two months Lloyds responded to Mr M's questions and concerns about the settlement and process - attempting to move the claim forward. In early 2023 Lloyds was considering additional damage Mr M had reported.

I accept during this period Lloyds could, in places, have responded a little quicker. It might have told him earlier that it intended to cash settle. But overall it progressed the claim reasonably, taking care to respond to Mr M's concerns and questions.

Our investigator didn't consider Mr M's complaint point about Lloyds failing to meet a SAR deadline. As I have, I've issued this provisional decision, to allow him the opportunity to respond to my thoughts.

Mr M applied for the SAR in December 2022 but didn't receive the required information for several months. He says this had a particular impact on him as he needs reasonable time to analyse and understand events to process them. He's spoken of the delay preventing him from being able to use any potential evidence to support his complaint.

As far as I'm aware Mr M's had the information requested for a number of months. So he's had the opportunity to analyse it and present it for this service to consider as part of his complaint. I accept the delay was frustrating for him. But I haven't been shown it caused him detriment with his claim or complaint. He hasn't, for example, demonstrated his point that earlier receipt of the information would have resulted in a quicker resolution of his claim or complaint.

In total Lloyds has paid Mr M £350 compensation to recognise the impact of its mistakes relating to events considered in this provisional decision. He feels that isn't enough. I haven't broken the compensation paid into specific amounts to cover individual errors. Instead I've looked at it in the round.

I accept there's been some failings by Lloyds that caused distress and inconvenience for Mr M. But I'm satisfied it has already paid enough overall to recognise the impact of those. Whilst its handling of the claim hasn't been perfect, in general it's taken reasonable and fair actions to recognise and support the needs of the household. So I don't intend to require Lloyds to pay Mr M any additional compensation.

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.

Mr M raised concern that I had failed to consider the evidence provided – in particular a submission made in September 2023. I'd like to reassure him that I've considered everything provided. As set out above, as this is an informal service I haven't respond in my provisional decision or here to every point or piece of evidence. Instead I've focused on what I consider to be key or central.

Mr M said his greatest concern relates to disability discrimination. He referred to me saying he was able to communicate, for his complaint, by email via his claims consultant. He said, however, there's evidence she didn't respond to emails. He also explained it's been confirmed she didn't pass on information, for example about his SAR.

I accept it's possible the consultant didn't respond to every email Mr M sent or forward on his SAR. But I can't see that he lost out financially as a result. In addition I'm satisfied, even if those failings are considered, that Lloyds has already paid enough compensation overall.

Finally my provisional decision concluded I didn't feel Lloyds was responsible for the claim failing to progress in the initial twelve months – from the summer of 2021. Mr M said evidence, from Lloyds, confirms it closed the claim despite it advising he would be contacted by its agents.

As I set out in my provisional decision – in August 2021 Lloyds sent him correspondence requesting further details of the claim – including photos of damage. I said it seems he didn't provide anything in response, so the claim didn't progress until he made contact again the following summer.

I said I'd consider any further evidence on this point. But Mr M hasn't provided, or directed me to, anything to change my mind – such as something to show Lloyds did say its agents would be in touch. So I still can't say Lloyds was responsible for the claim failing to progress in the initial twelve months.

My final decision

For the reasons given above, I don't require Lloyds Bank General Insurance Limited to pay any additional compensation or do anything differently.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 27 November 2023.

Daniel Martin
Ombudsman