

## The complaint

Mr S and Mrs S have complained about how Lloyds Bank General Insurance Limited (Lloyds) dealt with a claim under a home insurance policy.

As Mr S mainly seemed to deal with the claim and complaint, for ease, I will normally only refer to him.

## What happened

Mr S's home was burgled. He contacted Lloyds to make a claim, including for some French doors that were damaged during the incident. Lloyds agreed to replace the French doors and repair some damage to the frame, but not to replace the side panels.

Mr S complained to Lloyds about delays with the claim. Lloyds agreed to pay £200 compensation. Mr S then complained again because he wanted Lloyds to replace the side panels as he said they had also been damaged by the burglars. When Lloyds replied, it maintained its decision not to replace the side panels. However, it offered a further £100 compensation because Mr S had to chase his claim.

Mr S complained to this Service. Our Investigator didn't uphold the complaint. She said Lloyds' window company had said the side panels weren't damaged and that the doors and frame could be removed and replaced. The doors would also have toughened glass in them. She said what Lloyds had offered was in line with the policy terms and conditions. She said Lloyds offer of £3,479.68 to replace the doors or that it would replace the doors itself was fair. She said Lloyds didn't need to pay the amount in Mr S's quote, as she was satisfied it wasn't a like for like quote. She also said there were some avoidable delays, but that the total of £300 compensation offered by Lloyds was reasonable in the circumstances.

Mr S said he would only accept this as a resolution to his complaint if he was paid a cash settlement within 10 business days and the payment included the VAT element. Our Investigator told Mr S she didn't think it was fair for her to say Lloyds should pay the VAT element before the work was carried out. Mr S then said he wanted Lloyds' contractor to carry out the work and, on completion, to certify it was structurally sound and met all current building regulations. Our Investigator said Lloyds had said it would either pay a cash settlement or carry out the work, which she considered to be a fair outcome. She said that if Mr S wanted Lloyds to do the work and then wasn't satisfied with the work carried out, he would need to raise a new complaint.

Mr S asked for his complaint to be reviewed by an ombudsman. He said the cash settlement was insufficient for the delay and poor service received. He said there had been no independent verification of the damage caused and this Service was relying on Lloyds' statements and photos.

Mr S provided photos of the French doors and side panels. He said these showed the burglars had damaged the side panels. Our Investigator reviewed the images and said she wasn't persuaded the images showed damage consistent with a break in, rather than wear and tear.

Following some further discussion, Mr S confirmed he wanted an ombudsman to look at his complaint. So, the complaint was referred to me.

### **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 don't uphold this complaint. I will explain why.

The policy documents explained how Lloyds would settle claims:

*"If we accept your claim, there are a few ways we can look to put things right.*

- *We'll try to repair the damage*
- *If we can't repair, we'll try to replace.*
- *We pay a cash settlement instead."*

It also said:

*"Where we use suppliers, we might get discounts. We will use their costs to us when settling claims."*

When Lloyds assessed the claim, it said it could carry out a repair, which included it putting toughened glass in the French doors, or pay a cash settlement for the amount its contractor would have done the work for. So, I think this was fair and in line with the terms and conditions of the policy.

I'm aware Mr S provided a quote for a higher amount than Lloyds offered in its cash settlement. However, I'm satisfied the quote wasn't like for like, including that the doors were made from a different material. So, I don't think Lloyds needed to pay the amount in Mr S's quote.

Mr S has also said the side panels were damaged and should be replaced along with the doors. I'm aware Mr S has explained his qualifications and why he thinks the side panels are damaged. Lloyds arranged for its window company to assess the damage. Damage was found to the frame but not to the side panels. I'm aware Mr S also said the adjuster told him the side panels were damaged. I read the loss adjuster's report. This noted damage to the frame, but not to the side panels. Lloyds included the damage to the frame in its settlement offer.

Looking at the photos provided by both Lloyds and Mr S, although there are cracks to the side panels, these appeared to be maintenance issues or wear and tear. I didn't see any damage that persuades me Lloyds unfairly assessed the side panels or that it was unreasonable for it to say they weren't damaged by the burglars. So, I don't think Lloyds needed to replace these as part of the claim.

So, I think Lloyds' offer is fair. It is for Mr S to decide whether he wants Lloyds to do the work or for it to pay a cash settlement of £3,479.68. I'm aware Mr S has said that, if he accepts the cash settlement, he wants Lloyds to pay the VAT element before he has the work carried out. I don't think it's unusual for an insurer to want evidence that the VAT element has been paid before it reimburses it. I haven't found any reason to say it's unfair for Lloyds to follow its usual practice.

Mr S was also concerned by delays with the claim, including him having to chase progress on it. Looking at Lloyds' records, these showed that Mr S had to chase on a few occasions, including for a loss adjuster to be appointed and the visit to take place. Following this, Mr S still had to chase progress, including when Lloyds said it would clarify the settlement figure with the window company. I think the timescales on the wider claim for the contents were reasonable. Lloyds offered £300 for the delays in progressing the claim and Mr S having to chase. I think that was reasonable in the circumstances and I don't require it to pay any further compensation.

So, having thought about the circumstances of this complaint, I think how Lloyds offered to settle the claim, and the £300 compensation, was reasonable. I don't uphold this complaint or require Lloyds to do anything further in relation to it.

If Mr S agrees to Lloyds carry out the work and isn't satisfied with it, he would need to raise this as a new complaint with Lloyds.

### **My final decision**

For the reasons I have given, it is my final decision that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S and Mr S to accept or reject my decision before 23 October 2024.

Louise O'Sullivan  
**Ombudsman**