DRN-4443756

## The complaint

Mrs S and Mr S complain about Liverpool Victoria Insurance Company Limited ("LV") and the service they've received following the claim they made on their home insurance policy in December 2018.

Mrs S has acted as the main representative during the claim and complaint process. So, for ease of reference, I will refer to any actions taken, and comments made, by either Mrs S or Mr S as "Mrs S" throughout the decision.

## What happened

The claim and complaint circumstances are well known to both parties. So, because of this and the length of time the claim has been ongoing, I don't intend to list the events of the claim chronologically in detail. But to summarise, Mrs S held a home insurance policy, underwritten by LV, when she discovered a leak in her property. So, she contacted LV to make a claim.

LV appointed an initial repairer, who I'll refer to as "B", to complete the works required to repair the leak, and the damage it caused. And due to the extent of the damage, Mrs S and her family were placed in alternative accommodation ("AA") while these works were completed.

But Mrs S was unhappy with the quality of the repairs when she returned to the property in June 2019. LV appointed a loss adjustor, who I'll refer to as "X", to manage these concerns, and any additional work that was required. But during this time, new leaks became apparent that were linked to the quality of work B completed. So, in early 2022, Mrs S and her family were placed back into AA. When they returned to the property in late 2022, there were still snagging issues present and Mrs S has explained the claim has yet to be concluded. Mrs S was unhappy about the above, so she raised a complaint.

Mrs S raised several complaints during the claim journey, and I won't list them all in detail. But to summarise, Mrs S was unhappy with the quality of the repairs completed by B, the length of time the claim had been ongoing and the inconvenience this caused to her and her family. Mrs S also explained how the failure to complete appropriate repairs had impacted her pre-existing health conditions, and the health of her son. So, she wanted to be compensated accordingly.

LV issues several complaint responses over the course of the claim, upholding Mrs S' concerns. They accepted the repairs completed by B were of a poor quality. And they recognised the length of time the claim had been ongoing, and the inconvenience and suffering Mrs S was caused. So, in total, they paid Mrs S £3,200 to recognise the above. And they are continuing to engage with Mrs S to finalise the remaining snagging issues. But Mrs S remained unhappy with this response, so she referred her complaint to us.

Our investigator looked into the complaint and didn't uphold it. They recognise LV had already accepted their failings and so, they didn't think the merits of Mrs S' complaint were in dispute. But they thought the £3,200 paid by LV already fell in line with our service's

approach, considering the impact caused to Mrs S. So, they didn't think LV needed to do anything more.

Mrs S didn't agree, providing several comments explaining why. These included, and are not limited to, her belief that the compensation paid by LV wasn't enough to recognise the impact on her health. And she provided a letter from her GP, and accompanying photographs, to be considered alongside this. Mrs S also referred to a decision made on another complaint by our service, which she felt should be considered.

Our investigator considered Mrs S' comments, but their view remained the same. And they explained how our service considers each individual complaint on its own merits, meaning our outcome can't be influenced by a finding on another separate complaint. Mrs S continued to disagree and so, her complaint has been passed to me for a 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'm not upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

Before I explain why I've reached my decision, I think it would be useful for me to explain exactly what I've been able to consider, and how. I note LV's last final response letter was issued in November 2022. But they have provided our service with their consent to consider the claim circumstances up to the date they provided their business file, in July 2023. So, I've only been able to consider the events up until this date. If Mrs S has any further issues about events that happened afterwards, she would need to raise these as a separate complainy with LV directly in the first instance.

And I note within Mrs S' detailed testimony setting out the impact the claim and complaint has had, she's referred to the health of her son. I think it's important to make it clear that only Mrs S, and Mr S, who I assume to be her husband, are eligible complainants as they are the policy holders. So, in line with the rules our service works within, I'm only able to consider the direct impact on them when considering what I think LV should do to put things right. So, while I can consider the emotional impact Mrs S and Mr S may have suffered because of their son's deterioration in health, I can't consider the actual health issue itself.

And while I note Mrs S has referred to other decisions our service has made on complaints she feel are similar in circumstances, our service considers every complaint individually, on its own merits. So, my decision hasn't been influenced by this.

Having reviewed the evidence available to me, considering LV's complaint response, I think it's clear LV have accepted the service they provided fell short of what they'd expect. While I note the main issues originate from the repair work completed by B, and the way X managed the claim, both B and X were acting as agents of LV, working on LV's behalf. So, LV are ultimately responsible for the service they provided, and the actions they took.

And I think it's reasonably clear LV accepted the repairs B completed weren't of an appropriate standard. And, that there were delays during the time X managed the claim, which has led to the claim being ongoing for longer than it should. So, I don't think the merits of Mrs S complaint are in dispute, and I think it's accepted by LV that they've acted unfairly during the claim process. So, as I don't think this is in dispute, I don't intend to discuss the

merits of the complaint in detail.

Instead, I've focused on what I do think remains in dispute, which centres around what LV should do to put things right.

I note LV have paid Mrs S a total of £3,200 in compensation to recognise the inconvenience and suffering she and her family have encountered during the claim process. But I recognise Mrs S doesn't think this payment is enough to recognise the length of time the claim has been ongoing, the time she's spent engaging with the claim process and most crucially, the suffering caused by the failed repairs and how her pre-existing health conditions have been made worse.

So, I've considered all the evidence available to me, including the detailed testimony Mrs S has provided to think about what I think a reasonable outcome should be here. And having done so, I think the £3,200 already paid falls in line with our services approach and what I would've directed, had it not already been paid. And I'll explain why.

I think this payment is significant enough to fairly address the fact LV are responsible for some avoidable delays during the claim process. Had B completed the initial repairs as they should've, I think it's reasonable for me to assume Mrs S wouldn't have needed to go into further AA to allow repairs to be completed, following further leaks occurring and a continuing issue found with the underfloor heating. I've no doubt it would've been inconvenient and detrimental to Mrs S and her family to have to move home for a second time in the period of four years, especially when this could've been avoided had B completed the repairs properly in the first instance.

And I think the payment also recognises what I feel are clear gaps in the claim process where X were appointed to handle the claim, but no clear progress was being made. I appreciate how this would've been frustrating for Mrs S and required her to proactively chase for updates when I think X should've been more proactive themselves during this time.

And finally, I think it fairly reflects the impact the situation had on Mrs S' pre-existing health conditions, which I've seen photos to support. I don't think it's in dispute that Mrs S was suffering from health issues that were made worse by damp and cold and so, when she returned to a home where the heating in her extension wasn't working as it should, I think it's reasonable for me to assume her health was most likely made worse because of this.

But I do also think the total payment also reflects the fact that, from the claim being first reported in 2018 to the completion of the initial repairs in 2019, from the evidence I've seen I think LV took reasonable steps to acknowledge and recognise Mrs S' health conditions. In all the correspondence I've seen, I think they adjusted their responses appropriately. And I think they took all of Mrs S' concerns on board around the cleaning of the property post repair, extending the AA on more than one occasion to ensure this was done to help prevent any impact on her health.

And when LV were aware of Mrs S' concerns regarding the repairs, I think they were acting in her best interests by appointing X to manage the claim to conclusion. While in hindsight I think it's clear X could've done more, I don't think LV could've known this at the time.

I also think the payment fairly takes into consideration the fact that LV have acted proactively to Mrs S financial losses, ensuring they have been covered so that she hasn't been left financially out of pocket. For example, agreeing to multiple AA extensions, paying for dry cleaning, agreeing to a replacement mattress etc.

And I think the payment fairly takes into consideration the fact that Mrs S' health conditions were present before the claim was made. So, while I don't dispute the situation most likely made her condition worse, I don't think I can say LV's actions were the sole cause of Mrs S' suffering, and this must be taken into consideration.

Finally, I note that following LV's final response, where the final payment of £2,500 was made, LV did offer Mrs S the chance of going into AA for a third time, to ensure her health conditions were fairly considered. And it's accepted by Mrs S, and noted by LV, that Mrs S chose to remain in her home even though the issue with the underfloor heating in the extension remained in part. So, I don't think I can fairly say that LV should be held responsible for any further suffering from this point in time. And having reviewed the evidence available to me, I think LV continued to engage with Mrs S after this time to rectify the final snagging issues, and I can't see any avoidable delays that LV should be held responsible for. So, I don't think I've seen anything to suggest the payment should be increased again.

So, because of all the above, considering that for any insurance claim where the damage caused is extensive, which has been the case in this claim, a level of inconvenience is to be expected that can't be prevented by an insurer, I think the total payment of £3,200 paid by LV is a fair one. And so, I don't think they need to do anything more on this occasion.

I understand this isn't the outcome Mrs S was hoping for. And I want to reassure Mrs S I've thought carefully about all the points she raised, and information she's provided. But the total payment made by LV is a significant one and I don't think it would be fair for me to say it should be increased on this occasion.

**My final decision**

For the reasons outlined above, I don't uphold Mrs S and Mr S' complaint about Liverpool Victoria Insurance Company Limited.

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 26 February 2024.

Josh Haskey
**Ombudsman**