

complaint

Ms B complained about how Liverpool Victoria Insurance Company Limited (“LV”) dealt with her home emergency call out following an escape of water and her subsequent insurance claim for the damage caused to her home and its contents.

background

Ms B took out a buildings and contents home insurance policy with LV in May 2016 that included home emergency call out cover. Ms B has renewed this policy with LV each year since 2016 to the present day.

On 23 January 2017 there was an escape of water from the water storage tank in the attic in Ms B’s home. This caused part of her property, a bungalow, to flood. Ms B called LV, as she had home emergency cover with it. LV said it attended the following day but was unable to gain access to the property.

Ms B was unable to switch off the water from the mains supply in the road as the stop cock was faulty. It then took her water provider five days to attend and switch the water off. Ms B moved out of her home and into alternative accommodation on 23 January 2017, as she said her property did not have heating or hot water.

Ms B also submitted a claim to LV for the damage to her home caused by the escape of water.

LV sent contractors out to trace the leak in Ms B’s property on 1 February 2017. But they were unable to do this because of the amount of possessions Ms B had in her home. The contractors offered to move Ms B’s possessions for her, but she declined. A loss adjuster had been booked to attend Ms B’s property the following day, but this appointment was cancelled because of the problems with gaining access to areas in the property.

Ms B submitted a complaint to LV about its home emergency response following the escape of water. LV responded on 22 February 2017. It said its home emergency supplier attended Ms B’s home on 24 January and took a “proof of visit” photo of her home. LV said the supplier didn’t know the bell wasn’t working or that they needed to go to the back door of the property to get in. It said the supplier tried to call Ms B and left a message on her answerphone.

LV said its home emergency supplier arranged a new appointment to visit Ms B, but it cancelled this as it thought Ms B’s own tradesman had shut off the mains water supply. It said it now understood that the water was actually still running at this point. As a gesture of goodwill, it sent Ms B £25 and a further £55 for Ms B to purchase a mobile phone, so that it could keep in contact with her during her claim.

A further appointment was arranged for the loss adjuster to attend on 9 March 2017, but the loss adjuster was unable to assess the property because of the amount of possessions. Ms B again said she didn’t need help to move her possessions. LV spoke to Ms B on 30 March 2017 and a further visit was arranged for 27 April 2017.

The loss adjuster attended the property on 27 April 2017. Ms B’s possessions had not been cleared from the property and so the meeting was conducted outside. The loss adjuster said the escape of water was likely caused by wear and tear to the valve to the water tank in the

loft. He said it wasn't possible to gauge the amount of damage to the building and contents because of Ms B's possessions. The loss adjuster said he had concerns that the property would continue to deteriorate as a result of the damp issues until all the contents had been removed. He estimated that once the contents were removed, the property would take four to six weeks to dry out.

Ms B contacted LV on 4 May 2017 and said a tile had come loose on her roof. LV agreed for its claim handlers to assess the roof to see whether the problem was claim related.

LV's claim handlers wrote to Ms B in May 2017 about the amount of possessions in her property. It advised her that liability would not be accepted and alternative accommodation costs would be at her own expense if these were not removed. LV and Ms B spoke on 16 May 2017 about disposing of any damaged items, putting what items they can into storage or into rooms that weren't affected by the escape of water.

LV's claim handlers arranged for "beyond economical repair" (BER) items to be put into a skip and removed from the property in mid-June 2017. At the same time, some items that were salvageable were packed into around 100 boxes and put into storage.

Ms B complained to LV again in July 2017 about the lack of progress on her claim. It responded on 3 August 2017. It said an incident, where a door taken off the hinges at Ms B's property fell on her, was being dealt with by the contractors and not LV. Ms B also complained that there were items missing from the BER list and other items were disposed of that could have been salvaged. LV said it spoke to Ms B on 8 June and asked her to go to the property, throw away as much as possible and keep a list of what was disposed of. The disposal of the skip was put on hold until after the weekend, to give Ms B sufficient time to do this. LV said it had a definitive list of items Ms B believes were incorrectly disposed of and it would consider these items as part of her contents claim.

Ms B's complained to this service in October 2017. Her main complaint points were:

- Her house was currently uninhabitable, and LV hadn't paid the claim.
- No waste had been collected.
- No payment had been made for alternative accommodation and the cost of kennelling Ms B's pets.
- Loss adjusters had cancelled appointments.
- No documentation had been provided about the damaged, uninhabitable property.
- A contractor lost Ms B's front door key.

Ms B told us she was struggling financially, as she doesn't receive a pension or benefits. She also said that LV wasn't willing to provide her with a letter confirming her home is uninhabitable, so she was paying for some utility charges twice.

LV responded on 27 October 2017 to a further complaint made by Ms B to it. The complaint points were:

- LV hadn't provided Ms B with the documentation she needed confirming the property was uninhabitable.
- No one attended the property to clear the damaged goods until June 2017.
- Sentimental and undamaged items had been disposed of when a skip was removed in early June 2017.
- Hazardous rubbish remained outside Ms B's home.

- Ms B was unhappy she was told she needed to repair the roof.
- Keys were lost in the post when the contractors sent them to Ms B.
- Ms B said dryers had yet to be installed at the property.
- Ms B said she was still being billed for water at the property.
- Ms B said she was told the claim would not be progressed until she met with the loss adjuster, but she found visits upsetting.
- Ms B asked not to have to deal with a particular claims' handler.

In response, LV said it couldn't issue the documents Ms B has requested until a loss adjuster attended her property. It said it would consider any cost incurred since Ms B went into alternative accommodation once the loss adjuster had attended and Ms B has provided evidence to show how much she's paid. LV said it wasn't able to gain access to Ms B's property to clear damaged contents because it was waiting for Ms B to remove enough of the contents of the property in order for access to be gained. LV reiterated what it said in the August 2017 final response letter about items disposed of in the skip, which was that there was a BER list that could be looked at when the contents claim are being considered. It also said the contractors strongly refute the allegation that they disposed of personal items.

LV said it needed confirmation about what the hazardous rubbish related to and that its contractors would look into this when they were allowed access to lift the carpet that's been damaged. And it would also look at the electrics if they were still tripping. LV said it wasn't accepting liability for the repairs to the roof, as the damage was not insurance related. The roof was inspected and found to be in poor condition – tiles had slipped and the ridge hip tiles had decayed allowing them to become porous. LV said it couldn't install dryers in the property or carry out repairs until the roof had been repaired.

LV said it was waiting for an invoice in relation to the locks being changed following the keys being lost in the post. This information was requested in September 2017 but hasn't been received. LV said the water at Ms B's home was turned off by its contractors. It said, as far as it's aware, a standing charge for water rates is payable regardless of whether the supply is in use. LV said Ms B was correctly advised that the loss adjuster needed to attend to assess the damage, now that some of the contents in her home had been cleared. LV suggested Ms B could have a friend or relative attend with her. LV also said the claims handler in question was best placed to deal with her complaint. LV said it had agreed to fund Ms B's alternative accommodation at the beginning of the claim and was happy to cover the cost incurred to date, but it wouldn't continue to do so indefinitely. And it needed evidence of the outlay.

In November 2017 LV instructed new loss adjusters, as Ms B's relationship with the earlier loss adjusters had broken down. The loss adjuster visited Ms B's home on 21 November 2017. The report subsequently prepared said:

- Damage to the property was limited to the loft area, hall, front bedroom and bathroom and the claim should be confined to those areas.
- The extent of the damage to contents couldn't be established, as items had been cleared and disposed of prior to the visit. But they had lists provided by the previous loss adjusters.
- The property shouldn't have remained uninhabitable for this length of time, but in its current state it was uninhabitable and would remain so until the extent of the strip out and drying had been ascertained, as well as the electrical and plumbing systems being tested to ensure they were functioning correctly.

- A temporary repair to the leaking pipe was undertaken by the previous contractors. Ms B is responsible for the permanent repair.
- Ms B was made aware that there was a hole in the roof, visible from inside the property, that it was her responsibility to repair. Ms B advised them the repairs are unlikely to progress until January 2018.
- Ms B was asked to provide alternative accommodation costs and supporting documentation.
- Contents deemed BER to be provided to Ms B to review.

One of our investigators issued an assessment in February 2018. He encouraged Ms B to provide LV with evidence of where she was living. He considered whether Ms B's roof had been damaged by the contractors working on her home. He said he'd seen evidence that Ms B was considering a full roof repair in May 2015, which indicated problems with the roof were pre-existing. He said he was aware the roof has been repaired and so he would expect LV to be proactive about carrying on with the necessary work and said Ms B needs to ensure that LV is able to access the rooms in her home. Our investigator agreed the skip with Ms B's contents had been moved earlier than planned and so she was denied the opportunity to go through items before they were removed. Our investigator said LV has said it will consider any items removed as part of Ms B's contents claim.

It's unclear exactly when the repairs to Ms B's roof were finished. The information I have suggests they were scheduled to be completed on 2 February 2018, that LV's loss adjuster arranged for contractors to visit Ms B's home in February 2018 after the roof repairs had been carried out, but information I have also suggests LV only learned in April 2018 that the repairs had been completed. Putting that aside, I can see that the visit carried out by contractors in February 2018 was to assess any moisture damage and the extent of drying needed. The contractors said moisture was confined to the hallway and the walls coming off the front part hallway which was directly under the header tank. They recommended that drying equipment was installed in the hallway, bathroom and front bedroom. They said the loft area was dry.

Ms B contacted this service in March 2018 and said the contractors wanted to get access to her property to install dehumidifiers and dryers. Ms B said she was concerned about how much electricity this would use. Ms B also told this service that she didn't intend to allow LV access to her home until an interim payment was made. She also asked LV to consider offering a cash settlement so that she could arrange for her own contractors to carry out the work on her home. LV asked Ms B to provide evidence of expenses she'd incurred. The dehumidifiers and dryers were not installed in Ms B's house.

Ms B called this service on 2 July 2018 and asked LV to consider using different contractors, as she had seen bad reviews online for those already appointed. Around this time, Ms B also decided she didn't want to accept a cash settlement from LV.

LV wrote to Ms B in September 2018, following a meeting between Ms B, the loss adjuster and a contractor and outlined the work that needed to be carried out on the property. It asked Ms B to sign and return the document. LV said the work should take six to eight weeks to complete. LV said it would fund Ms B's alternative accommodation from the date she needs to leave her current accommodation – 28 September 2018 – to the date of completion, as long as there were no delays.

The work on Ms B's property began in February 2019 and driers were installed on

21 February 2019. On 1 March 2019 the contractors discovered, following a radiator leak, that central heating pipework under the floorboards in the middle bedroom needed to be repaired. In order for this to happen, Ms B needed to move her possessions from two bedrooms. In mid-March 2019 the contractors temporarily stopped working because of the volume of Ms B's possessions still in the property. The contractors resumed work and wooden floorboards in the room where the radiator leaked were replaced, as was the radiator. The radiator repairs were dealt with as a separate claim by LV.

One of our investigators issued a second assessment in March 2019. He said LV had so far made payments totalling £15,543.37 to Ms B for alternative accommodation - £5,000 paid in May 2017 and a further £10,543.37 paid for costs incurred in 2017 that was calculated after Ms B submitted a considerable amount of expenditure related documents to LV. Our investigator said LV didn't intend to reimburse Miss B's alternative accommodation costs for 2018, as it felt it was Miss B who prevented it from clearing the house and starting the repairs. But LV agreed to cover alternative accommodation costs for the duration of the repairs in 2019, once the relevant paperwork was received.

LV said the building repairs, including snagging work, were all completed in early June 2019. Ms B didn't feel LV had carried out all necessary repair work, thought the house was uninhabitable and did not move back in. She said the new toilet that had been installed did not suit her needs, as it was not raised. Ms B said she also needed a new bed, bedding, net and heavy curtains and floor coverings.

LV wrote to Ms B on 4 July 2019 and set out its position in relation to the repairs carried out on her home. It said its responsibility to fund alternative accommodation had come to an end. LV said it was aware Ms B doesn't think the work has been completed correctly. It said Ms B could either allow the loss adjuster access to inspect the work she thinks hasn't been done correctly, which LV said Ms B was not willing to do, or Ms B could provide expert evidence in support of her own opinion.

LV summed up its position as follows:

- Repairs to Ms B's home are now complete.
- The damaged contents have been valued at £3,000.
- As a gesture of goodwill it will pay for a replacement front door.
- Ms B's accommodation claim for 2017 has been allowed.
- Ms B's accommodation claim for 2018 has not been allowed because the delays in the repairs being carried out were not due to LV and these costs are not its responsibility.
- The cost of accommodation for the period while the repairs were carried out in 2019 has been agreed.
- The contents can be returned and LV agreed to allow a further few weeks for Ms B to sort this out.
- The work done to repair the radiator in the second bedroom was accepted as a further claim, as the damage was not caused by the initial water leak. The cost of replacing the carpet was considered to be £350 and as the policy excess for this claim was £350, no payment was due from Ms B.

LV wrote to Ms B on 10 July 2019 and told her it hadn't yet received a response regarding what she wants to do with the stored contents of her property. It said as of 15 July 2019, the storage charges of £336 per week will be deducted from any figure agreed.

In an attempt to try and resolve the issue of whether Ms B's house was habitable, I asked LV to fund an independent survey of the property in December 2019. LV agreed to this and Ms B chose the independent surveyor. Covid-19 restrictions meant the survey couldn't be carried out until July 2020 and the report was available in August 2020.

LV arranged for its contractors to read and respond to the report. It said it believes the surveyor didn't identify any material deficiencies in the work undertaken by LV's contractors. It said where any issue could potentially be due to the contractor, but this was not proven, it was willing to make a reasonable offer to resolve, as a gesture of goodwill. LV proposed a cash settlement, so that Ms B could arrange for her own contractors to carry out the work. The offer made was:

- Carpets - £795.15
- Pendant light fittings - £100
- Carbon/smoke detectors - £50
- Toilet - £500
- Body drier - £100

LV said that prior to the escape of water the property was in need of updating and decorations were of an age. Where water damage occurred it paid to redecorate the property. The remaining rooms still require redecoration but that is the same position as it was before the claim.

Ms B didn't accept LV's offer. She listed a number of issues with the repairs that she felt hadn't been resolved, including not having enough furniture to move back into the property, safety items in the wet room needing to be replaced, mould in every room, not enough being offered to replace the carpets, an electrical certificate that was not sufficient, the lounge needed to be professionally cleaned and a broken wash basin in the wet room. Ms B was also concerned that LV wouldn't consider written receipts for alternative accommodation costs.

Ms B brought her complaint about the emergency call out cover to this service outside of the six-month time limit specified in LV's final response letter. However, LV has consented to this service looking into this part of Ms B's complaint. LV has also agreed that this service can look at all events that have happened in relation to Ms B's home insurance claim since it provided its final responses in 2017. This includes how it dealt with the leak in the middle bedroom in March 2019 as a separate claim.

Because both parties are in dispute about this claim, this complaint has come to me to review.

Provisional decisions

I issued my first provisional decision on 4 December 2020. I said it wasn't possible to comprehensively outline the final decision I intended to reach because of information that was needed to inform what alternative accommodation, kennelling and utility and other living costs might need to be paid. Or whether the right action was taken by LV in relation to the second escape of water at Ms B's property in 2019. I also outlined what further actions I would like both LV and Ms B to take to provide the information needed. Both Ms B and LV responded.

Having considered all of the information provided, I was then able to issue a second provisional decision on 12 March 2021. I outlined the actions I intended to ask LV to take in relation to Ms B's complaint. These were:

- Pay Ms B a further £175 (in addition to the £25 already paid) for the error made when dealing with the home emergency call out.
- Pay alternative accommodation costs up to and including July 2019.
- Cover any kennelling costs up to and including July 2019.
- Cover any council tax paid by Ms B that is over and above what she would have paid if she had been able to remain in her home.
- Pay, at a later point if necessary, any utility expenses incurred by Ms B that are over and above those she would have incurred if she had been able to remain in her home.
- Pay for a replacement door to the value of £431.78.
- Pay the following amounts outlined by LV in August 2020, which were:
 - Pendant light fittings - £100
 - Carbon/smoke detectors - £50
 - Body drier - £100
- Pay a total of £2,670 for hallway and front bedroom carpets.
- Pay a total of £3,220 in relation to the second claim in March 2019, less the £350 excess.
- Pay a total of £790 towards having an appropriate toilet and basin fitted.
- Pay the £3,000 contents settlement to Ms B. But Ms B should be allowed to raise any concerns she has about additional missing or damaged items with LV once she's had the chance to look through her possessions in storage. And this should, if necessary, be dealt with as a new complaint.
- Pay for the locks that needed to be replaced at Ms B's home, subject to Ms B providing proof of the cost incurred by her.
- Pay an amount of £100 towards redecorating one of the bedrooms.

I gave both parties the opportunity to respond.

LV responded and provided an inventory of the items it has placed in storage for Ms B. It also made the following points, summarised below:

- Ms B was first advised by LV that the damage to her roof would not be covered under her policy in LV's letter dated 27 July 2017 and not December 2017. LV said it then took until April 2018 for Ms B to complete the repairs.
- A cash settlement was first proposed in March 2018, but it wasn't until August 2018 that Ms B advised her preference was for LV's contractors to be appointed. This meant a delay of approximately five months occurred.
- Whilst there were times in 2018 when Ms B was unwell, she made contact with LV during that time and so her health isn't a primary factor when accounting for delays.
- LV understands Ms B's health and vulnerability and this is reflected in its general approach to her claim and along with the alternative accommodation and storage costs it has already agreed to fund.
- It wasn't necessary for Ms B to vacate the property in 2017 and this wasn't discussed with LV before the move was made. Emergency work could have been undertaken to allow her to remain at home.
- The timeframe for repairing the property was short - less than 3 months. But Ms B has incurred an unknown sum to live elsewhere for longer. And this was often in a

hotel rather than a similar, potentially lower cost property. Ms B hasn't taken action to limit her expenditure and this was raised with her on a number of occasions, to try to let her know what the consequences might be.

- LV spent a considerable sum of money storing Ms B's contents over a long period of time, before and since a letter sent in July 2019 outlining its position on each outstanding aspect of her complaint. The total expenditure on alternative accommodation and associated costs exceeds £46,500 to date, with a combined policy limit for Building and Contents set at £50,000.
- It said a more equitable outcome in relation to 2018 alternative accommodation expenses would be for LV to contribute 50%, or £10,000 (whichever is greater) towards the costs Ms B incurred during 2018. And this is on the proviso that Ms B agrees for her contents to be returned to her, by a date to be agreed. LV would continue paying the storage costs up to the agreed date.
- If the contents remain in storage for longer than the agreed date, LV reserves the right to either require Ms B to meet the storage costs, or it would have to consider, as a last resort, whether her contents should be disposed of. And this is because it cannot fund her storage costs indefinitely.
- It accepted the increase in compensation for how it handled the emergency call out, said it will honour the offer of £431.78 for a replacement door, £100 for pendant light fittings, £50 for carbon/smoke detectors, £500 for a toilet, £100 for a body drier, £3,000 for the BER contents items, £370 net of the £350 excess for a replacement middle bedroom carpet and £2,250 for replacement bedroom wardrobes. And if Ms B provides evidence she paid for replacement door locks, it will reimburse the cost she incurred.

Ms B also responded and provided more information about alternative accommodation. She also reiterated points she had made earlier about the claim. In addition Ms B pointed out the vulnerable position she was placed in, given her poor health, when the water to her home wasn't turned off for several days in January 2017. Ms B asked to be given further time to get a legal opinion about her options.

Ms B also arranged for a family member to call this service and he was concerned that I might not be aware of Ms B's current ill-health. He said Ms B hasn't been able to pass everything onto this service that she might otherwise have provided. He asked for this to be taken into account.

I want to reassure Ms B that it's not necessary for her to pass all receipts or other information to me before this decision is issued. Whether or not she's owed money for expenses incurred has been considered, even where proof of the expenditure hasn't yet been provided. This can be provided to LV at a later date.

To be fair to all parties, I am not going to provide further time before I issue my final decision.

my findings

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

I want to emphasise here that I've focused on the key points in relation to Ms B's complaint, which has changed since she first brought her complaint to this service. Ms B's complaint is a complex one and I've looked at each of the relevant complaint points in turn below.

Emergency call out

I've seen the policy documents relating to Ms B's home emergency cover and I'm satisfied the policy covers situations like the escape of water at Ms B's home on the night of 23 January 2017. So the question I'm looking at is whether LV could have done more once Ms B reported the escape of water to it.

Ms B says LV didn't visit her property immediately following the escape of water. However, I can see that LV did arrange for a contractor to visit Ms B's property on 24 January 2017, the day after the leak began, but they weren't able to gain access. Information from LV suggests the contractor wasn't aware the front doorbell didn't work and didn't know access to the house could only be gained through the back door. The contractor also tried to contact Ms B by phone to let her know they were there. So while I fully appreciate that the water wasn't turned off when the contractor first attended, I can't see that there's any more they could have done to try and gain access to the property and to try to speak to Ms B on 24 January 2017.

However, I do think LV was at fault for cancelling the second visit, when it mistakenly thought the water had already been shut off by Ms B's water provider. I think it's unlikely Ms B would have told LV this had been done when it hadn't. LV has acknowledged this error and offered Ms B a £25 gesture of goodwill payment. It also sent a further £55 to Ms B so that she could purchase a mobile phone, as LV said it was proving difficult to contact Ms B.

I know that Ms B feels strongly that most of what has subsequently happened could have been avoided if LV had turned off the water when it first attended her home. While I agree that less water would have escaped, I take the view that Ms B's home and contents would still have suffered some degree of water damage and Ms B would still have needed to move out of the property into alternative accommodation. And as Ms B's home would still have been in need of repairs, I can't see that the subsequent claims process would have been any different if the water had been turned off by the contractors the day after the escape of water began.

While I take into consideration that there might have been some shortcomings with Ms B's water provider's response to the escape of water, I'm satisfied that Ms B faced inconvenience and a good deal of distress as a result of LV cancelling the second visit to her home and so not turning off the water supply earlier. And I don't think the £25 offered to Ms B is enough to compensate her for this. I think a fair amount is £200. While I think the inconvenience of having to move out was unavoidable and not LV's responsibility, I'm satisfied Ms B experienced a good deal of distress while water continued to enter her home and cause damage to her property and possessions.

When Ms B responded to the first provisional decision, she said that the contractors who visited her home weren't professional. Ms B's comments have been taken into consideration but have not changed my decision. So I am asking LV to pay an additional £175 compensation to Ms B. LV has agreed to pay this additional amount.

Condition of the roof

In around May 2017, LV's contractors noticed a hole in the tiled section of Ms B's roof and said rainwater was entering the property as a result. LV said it wasn't able to carry out repairs to the rest of the property while water continued to enter through the roof. LV carried out an inspection to see whether the damage was connected to a roof related claim a few

years earlier. But LV concluded it wasn't and that Ms B's roof was in poor condition. LV said tiles had slipped and the ridge hip tiles had decayed allowing them to become porous. So LV said Ms B was responsible for the repairs that needed to be carried out to the roof before dryers could be installed in the property.

Ms B said LV's contractors left the door to the attic and various other doors open and so the roof tile was displaced by the wind this caused. Ms B has paid to have her roof replaced and thinks LV should refund all or some of the cost to her as she believes it is responsible for the damage. Ms B also said the contractors who inspected the roof caused more damage to it.

However, I'm satisfied that LV don't need to contribute to the cost of repairing the roof. I'll explain why.

I've seen the report drawn up by the loss adjuster following an inspection of Ms B's property and the report includes photographs of the roof. While I acknowledge that I am not a roofing expert, I am satisfied that these photographs show worn ridge tiles and loose / out of place flashing.

Having seen LV's claim notes, I can see that in 2015 Ms B contacted LV and said part of the apex of her roof had fallen off and knocked a tile out of place. So Ms B arranged for a roofer to secure the tile and make the roof watertight. The notes say that at some stage Ms B was considering a full roof repair. What this tells me is that Ms B had some pre-existing problems with her roof before LV's contractors began to work on her home.

Ms B said she had photographic and / or video evidence of LV's contractors damaging the roof. But I have not been provided with this evidence by Ms B. Our investigator contacted one of Ms B's neighbours, at Ms B's request, to discuss LV's inspection of the roof. Ms B's neighbour said the area where light is getting in through the roof is a different section to the one worked on by LV's contractors.

So while I appreciate that having the roof replaced was a considerable and unexpected additional cost for Ms B, I'm satisfied that the damage to the roof was because it was worn and not because of action or inaction on the part of LV. And repairs or replacement of a worn roof is a wear and tear issue that isn't covered by Ms B's home insurance policy.

When Ms B responded to the first provisional decision, she said she thought LV's contractors had caused damage to the roof by climbing on it when trying to get an asbestos sample. She also thought the felt tiles blew out as a result of actions taken by the leak tracers. I've considered what Ms B said, but it doesn't change my decision here.

Alternative accommodation

Ms B's policy covers her in the event her home is uninhabitable, and she needs to move into alternative accommodation. It says: "*If your home becomes uninhabitable following loss or damage covered under this section we will pay up to £25,000 during the period of insurance for: the extra cost of similar alternative accommodation for you, your family and your domestic pets.*"

Ms B moved into alternative accommodation on the night that the escape of water happened and has not yet moved back into her home. When LV responded to the second provisional decision it said it takes the view that it wasn't necessary for Ms B to move to alternative accommodation, as emergency work could have been undertaken that allowed Ms B to

remain in her home. But I can see that LV did approve the move into alternative accommodation, albeit after Ms B had already moved out of her home. And so, for this reason, I don't intend to look into this point further.

LV has said it will cover the cost of alternative accommodation in 2017 but originally said it would not cover the cost of alternative accommodation in 2018 or since the work was completed in 2019. This is because it thinks Ms B caused avoidable delays in 2018 and that Ms B should have moved back into the property in around July 2019.

There's no doubt there were significant delays in having the repairs carried out to Ms B's property. So before I look at what alternative accommodation costs should be paid, I need to consider whether LV acted fairly when it said avoidable delays caused by Ms B mean it shouldn't have to pay alternative accommodation costs in 2018, or following completion of the work in 2019.

I think it's important to say here that when an insurance claim of any kind is made, the consumer involved is expected to make sure they do what they can to mitigate any losses associated with the claim. What this means in relation to the claim delays is that Ms B is expected to ensure she did what she could to make sure there were no avoidable delays that could be attributed to her.

I've looked first of all at whether LV acted fairly when it said Ms B caused avoidable delays in 2018. I've taken into consideration that Ms B is a vulnerable consumer.

I can see that very early on in the claims process, LV provided Ms B with enough money to buy a mobile phone because it was having difficulty contacting her. And I'm satisfied that LV recognised early on that Ms B is a vulnerable consumer.

I can see that Ms B was advised a number of times in 2017 that there were so many possessions in her property that LV's contractors were unable to access it to either assess or carry out work. But I don't think there's any need to go into any more detail about possible delays in 2017, given that LV has agreed to pay alternative accommodation costs for that first year.

When I issued the first provisional decision I asked both LV and Ms B to provide me with further information about why the work to Ms B's home didn't go ahead in 2018 as it should have done. Both LV and Ms B responded.

LV said:

- It tried to arrange a site visit in January 2018 to assess the extent of strip out and drying work needed. It said this service relayed a message from Ms B that she felt pressured by LV. So it gave Ms B some space.
- In February 2018 this service relayed a message from Ms B that she didn't intend to co-operate with LV until she had received a payment from it.
- In early March 2018 Ms B was considering whether she would prefer a cash settlement. So LV tried to arrange to clear the contents of her home so that a surveyor had space to properly assess the damage and scope the work for pricing. But it said this was unsuccessful.
- In late April 2018 it learned the roof had been repaired. It said it would have been unable to carry out internal work until this was done, as it needed to know the property was watertight.

- In May 2018 Ms B informed LV she had an accident at the property she was living at and had been hospitalised. So LV said it was unable to gain access to her property.
- In June 2018 LV said it tried to contact Ms B for an update on her health, but it wasn't able to get in touch with her.
- In July 2018 Ms B told LV she didn't want its appointed contractor to work in her home, as she'd seen poor reviews about their service. It said it stressed the need for the contractors who would dry the property to attend, and also a surveyor to scope the repairs.
- In August 2018 Ms B informed LV she was undergoing hospital treatment and it might be difficult to contact her for the foreseeable future. Ms B also said she no longer wanted a cash settlement and she would wait for the site visit due to be carried out in September 2018, when an agreement was reached on how the claim would progress.
- A provisional start date of 8 October 2018 was secured. And a repair schedule was produced and sent to Ms B for approval.
- On 9 November 2018 this service relayed a message to LV from Ms B that she hadn't received the schedule. And she wanted to appoint her own tradesmen.

LV said throughout 2018 it proved very difficult for it to get in touch with Ms B, and when contact was made the conversations were often unproductive, as Ms B appeared focused on receiving money to cover her accommodation expenses, rather than allowing access for it to get the repair process underway.

I contacted LV in February 2021, after I'd received and considered the information above. I outlined why I thought a fair outcome here would be to pay Ms B's alternative accommodation and associated costs for 2018. A summary of what I said is below:

- *Repairs to the roof of Ms B's home* – Ms B received a letter from the loss adjuster in early December 2017 advising her that the roof repairs were not part of the claim, wouldn't be covered by LV and so she should make her own arrangements as soon as possible to have any necessary work done on the roof. I can see that LV has indicated that it would not have been a good idea for it to carry out any work internally until the roof was repaired. I don't know the exact date when the work to the roof was finished, but I can see LV became aware at the end of April 2018 that the work was now complete. Given that this was something unexpected for Ms B and that it can often take time to get estimates and arrange contractors to carry out what was extensive work to her roof, I think Ms B seems to have done what she could to get this work done without any unnecessary delays. So, given that it seems like she did what she could to make the house watertight and that LV couldn't have carried out internal repairs until the roof work was done, I'm not sure that it's fair for LV to say she caused unnecessary delays between January and April 2018 and so shouldn't have any alternative accommodation costs for this period.
- *Cash settlement request* – I can see that Ms B also asked for a cash settlement to be considered in 2018, which seems to have been largely because she was unhappy with the contractors suggested by LV. And while it might have resulted in some delays to work starting on the house, I think it was a reasonable request for Ms B to make. I know that she changed her mind later on, but it was still a reasonable request at the time.
- *Illness* – I can see that Ms B was ill on at least two occasions in 2018 and that this caused delays. But I don't think it's fair to consider the times when Ms B was ill as times when she caused unnecessary delays. I see unexpected occurrences like this

as part and parcel of dealing with a complex claim like this one. They aren't the fault of either party.

- *Vulnerable consumer* – There were certainly ongoing difficulties with engaging Ms B in moving this claim forward, including emptying her house of her possessions, Ms B indicating she wasn't going to allow access to her house until an interim payment was made and not wanting contractors to use her electricity for dehumidifiers. But I think some of the difficulties should be viewed in the context of Ms B being a vulnerable consumer. I think it's clear this claim was considerably more complicated than it might have been if Ms B wasn't vulnerable. And it's possible Ms B potentially didn't understand the disadvantage she was placing herself at by not dealing with the claim differently and more efficiently.

There's nothing to suggest any of the delays in 2018 were the fault of LV. And I think it's fair to say in many circumstances I would conclude that some of the delays in 2018 were avoidable and the responsibility of Ms B. But, given the particular circumstances of this complaint and Ms B's own circumstances as a vulnerable customer, I think the fair and reasonable approach here is for LV to pay all alternative accommodation costs for 2018, subject to the remaining terms of the policy.

When LV responded to the second provisional decision, it outlined the reasons - which I've summarised in the background section of this decision - why it thought a fairer approach would be for it to pay 50% of the alternative accommodation costs, or £10,000 - whichever is greater. And for Ms B to also arrange to have the contents of her property returned to her by a date to be agreed, in order to avoid further increasing the already very high storage costs LV has incurred.

I've taken on board everything that LV had said. And I agree that the alternative accommodation and storage costs are far higher than they might normally be, given the nature of the claim. But I take the view that a consumer with Ms B's particular vulnerabilities is always going to take more time than other consumers might to accept and take action in relation to issues that might impact on how quickly a claim is settled. The action taken by Ms B in relation to arranging for repairs to be carried out to her roof are a case in point. Ms B was slow to accept that the repairs were her responsibility and even made a formal complaint to LV that it addressed at the end of October 2017. She fought against completing them at her expense because she thought the contractors appointed by LV had caused the damage to her roof. I've already said I'm satisfied that's not the case. But how Ms B handled this issue is likely to have been affected by her particular vulnerabilities and circumstances. And so I still take the view that the fair and reasonable approach here is for LV to cover all alternative accommodation costs for 2018, subject to the remaining terms of the policy.

I know LV has said the combined policy limit for Ms B's alternative accommodation costs is £50,000, but I think LV needs to calculate the combined policy limit from the relevant date in January 2017 that Ms B moved out of her home, to the relevant date in July 2019 that Ms B was told she was now expected to move back into her home. This means the combined policy limit is likely to exceed £60,000.

When Ms B responded to the first provisional decision, she provided receipts for alternative accommodation costs. This service has forwarded these to LV for it to consider. If Ms B isn't able to find some of the receipts until she takes her possessions out of storage, then these can be forwarded to LV at a later date.

I've then looked at whether Ms B's house was habitable in July 2019, once the work had been completed and LV had written to her to outline its position, and whether she should have moved back into it at that stage.

LV and Ms B disagree about this and so LV agreed in December 2019 to fund an independent surveyor's report with a view to assessing whether the work required under the claim has been completed to a satisfactory level. Ms B was allowed to choose the surveyor and provided the surveyor with a list of what work she thought still needed to be carried out on the house.

I think it's important to point out here that the surveyor's report is seen as an expert piece of evidence and I think all parties, including this service, can take into account the conclusions reached on the basis they are most likely to be correct.

The survey was carried out in around July 2020 – following Covid-19 related delays – and the report was produced in August 2020. Four main issues were addressed in the report. These were:

- The scope of the repairs.
- The quality of the work undertaken by LV.
- Whether an electrical or gas certificate is required.
- The ability to live in the property.

I know that Ms B and LV have both seen the report, so I don't intend to repeat what was said in great detail. But, to summarise, the report concluded:

- Some of the work, such as holes above skirting boards, will take very little time and effort to fix.
- Mould in the cupboard in one of the bedrooms might not be the result of either escape of water incidents. It could well have been caused by the property not being lived in for some time.
- Mould on the ceiling of the hallway is likely to be the result of the property being unoccupied and can easily be washed down.
- Any preservatives used to treat against timber decay and beetle infestation are usually hazardous, but the property will usually be safe for occupation after a few days.
- Most of the roof area has a good level of glass insulation – about 250mm thickness or more. Probably about a quarter of the area of the roof space does need upgrading. A certificate in the loft area indicates the insulation was fitted in 2003 at the same thickness.
- Although not tested, the sealing of the floor and walls and sanitary ware in the wet room seemed to be in good order.
- If the original sanitary ware, for example the toilet and basin, were for disabled use then the present sanitary ware should be exchanged.
- The mould on the inside of the cupboard door in the wet room can be washed off.
- The overflow pipe is not connected to the WC but can easily be reconnected.
- The body drier was not working but this might be because of an isolator switch. This can easily be checked by the contractor.
- A number of radiators have been replaced, following the escape of water in March 2019. The size of the radiators is clearly different to the original fitting. This is not unusual as modern radiators are smaller than old radiators. This means original wall

decorations often need to be renewed. In this case, there is bare plaster visible behind a radiator.

- The garden was full of rubbish but there was little evidence of builder's materials.
- In general there are no obvious signs of unsatisfactory paintwork.
- Looking at whether the property is habitable, the various photographs supplied by the loss adjuster would suggest the property is in better condition now than it was when the photographs were taken. Ideally, in order for the property to be habitable it would need to be thoroughly cleaned, have new carpets laid and new decorations in several rooms. But some of the works that need to be done to make it habitable are not related to either escape of water.
- There is an electrical certificate. A gas certificate is not needed.

The room that Ms B is most concerned about is the wet room. She said she needs a raised toilet and that the toilet in place before the escape of water was on a raised plinth. This means the toilet in place now is not suitable for her needs. So I've considered whether this means the house was uninhabitable.

Although LV has installed a toilet that's different to the one needed by Ms B, I don't think it would be fair to say this made the property completely uninhabitable. I think temporary arrangements could have been put in place, like using a raised toilet seat, that would have made the toilet suitable for Ms B's needs. Arrangements could then have been made for a permanent raised toilet to be put in place, which is a job that can be completed relatively quickly and Ms B could still live in the property while this is done.

I know that the surveyor said the upright body dryer was also not working, but I don't think that not having this would mean the house is uninhabitable. I say this because it's my understanding Ms B doesn't have a body dryer now, so while I don't doubt its usefulness, Ms B is able to function without it. And, from what the surveyor has said, it might have been possible to have this looked at and repaired relatively quickly.

Looking at the house more generally, it's important for Ms B to understand that some of the issues that she's not happy about in relation to her home aren't issues that relate to either escape of water incidents. For example, the condition of the decoration in the lounge, the paper coming away from the ceiling in the utility room and the fact that rooms not damaged by the escape of water need to be thoroughly cleaned. It is not for LV to fix problems that were not caused by the escape of water. When Ms B responded to the provisional decision, she provided quotes for work to the rooms that weren't affected by the claim. The quote included the cost of flooring throughout the whole property, a new fitted kitchen and treating surface mould. But while I understand that Ms B is likely to be keen for her property to be in good condition before she moves home, LV are only responsible for those parts of the property affected by the two escapes of water. So Ms B will need to fund other work herself.

While the surveyor identified a number of "snagging" issues, such as the holes in the wall above the skirting board in one of the bedrooms and mould in the wet room cupboard, these are minor issues that can be resolved after Ms B moves back into the property. And minor issues like these should not have prevented her from moving back into the property.

What all of the above means is that although I acknowledge that some issues were still outstanding, I'm satisfied Ms B's house was habitable following completion of the repair works by LV in 2019.

However, there were unavoidable delays in 2020 – lockdown as a result of the Covid-19 pandemic - that meant it took longer than expected for the surveyor to inspect the property and produce his report. Neither LV nor Ms B are responsible for this delay. I asked LV for its comments about the stand it takes in relation to unavoidable delays such as this one.

LV responded and said it is not its responsibility to cover costs incurred post July 2019, as it's been accepted Ms B's home was habitable from that point onwards. It said if Ms B had moved back to her home before March 2020, she would not have needed to spend money on alternative accommodation during this period.

While I think it's incredibly unfortunate that the surveyor's report was unavoidably delayed, I take the view that if Ms B had moved back home in July 2019 then the additional alternative accommodation costs could have been avoided.

When LV responded to the first provisional decision it said the following alternative accommodation costs had been paid:

- May 2018 - £5,000 non-specific interim payment against any unsubstantiated accommodation costs incurred to that date.
- January 2019 – Bed & Breakfast ('B&B') payment of £495 covering the period between 24 January 2017 and 3 February 2017.
- January 2019 – Deposit of £600 and referencing fee of £120 (flat)
- January 2019 - £2,736 for rental costs (flat)
- January 2019 - £4,800 for rental costs (flat)
- March 2019 - £1,020 B&B accommodation covering 22 March 2019 to 29 March 2019 and 31 March 2019. Also 1 April 2019 to 5 April 2019 and 9 April 2019 to 11 April 2019. This includes a £10 per day disturbance allowance.
- April 2019 - £600 B&B covering 30 March 2019, 6 April 2019 to 8 April 2019. In addition, 13 April 2019 to 18 April 2019, including £10 per day disturbance allowance.
- June 2019 - £3,720 covering 19 April 2019 to 19 June 2019 including £10 per day disturbance allowance.
- September 2019 - £760 B&B covering 20 June 2019 to 23 July 2019 including £10 per day disturbance allowance.

When Ms B responded to the provisional decision she provided receipts for alternative accommodation and these have been forwarded to LV so that the amount owed to her for alternative accommodation costs incurred between 23 January 2017 and July 2019 can be worked out, to see if any money is owed to Ms B after the amounts already paid by LV are deducted.

Ms B also said she incurred costs when moving to different alternative accommodation locations. LV said it has never been presented with information about these costs. If Ms B is able to provide information to show reasonable costs were incurred in moving between locations up to the end of July 2019, then LV should reimburse these costs, subject to the remaining terms of the policy.

After looking at the surveyor's report, LV offered a further cash settlement to Ms B for the following items:

- Carpets - £795.15
- Pendant light fittings - £100

- Carbon/smoke detectors - £50
- Toilet - £500
- Body drier - £100

Ms B didn't accept this offer. In particular, Ms B said the amount offered for carpets would not cover the cost of carpeting the hall and bedroom that were affected by the first escape of water. I asked Ms B to consider getting a quote for carpets.

When she responded to the provisional decision, Ms B provided a quote for the cost of carpeting the areas affected by the initial escape of water as follows:

- Hallway – 3m x 6.8m - £1,460
- Front bedroom – 4m x 4.2m - £1,210

The quote for carpeting is significantly higher than the amount offered by LV, and I am also aware that Ms B has only provided one quote. But I have checked the cost online with another retailer, using the same dimensions and brand of carpet and the quote was really very close to that provided by Ms B. So I take the view that LV should pay the above amounts towards the cost of carpeting the hall and front bedroom.

Ms B also provided a quote for having the toilet and basin in her bathroom removed and replaced with sanitary ware more suitable for her needs. I've taken Ms B's needs into consideration and also that the independent surveyor suggested that the current sanitary ware should be replaced, if what was in place originally was designed for disabled use. So LV should pay for the toilet and basin to be replaced. The quote is as follows:

- Remove toilet and basin £115
- Supply and fit Doc M pack toilet and basin £675

Kennelling costs

Ms B's policy covers kennelling costs for domestic pets. Ms B said it wasn't possible for her to take her two cats with her, as she initially moved into a hotel. So both cats were placed in a cattery.

Both LV and Ms B provided me with further information about kennelling costs incurred by Ms B after the provisional decision was issued.

Ms B provided a receipt from the kennels showing that she paid the following:

- Two cats housed between 31 January 2017 and 31 January 2019 at a cost of £14 per day – total cost £10,220
- Two cats housed between 1 February 2019 and 6 November 2019 at a cost of £16 per day – total cost £4,368
- One cat housed between 7 November 2019 and 30 June 2020 at a cost of £8 per day – total cost £1,880.

LV confirmed it's already reimbursed Ms B for the following kennelling fees:

- £4,676 included in the payment of £10,453.37 made on 21 January 2019 and covering the period from 15 June 2017 to 27 December 2017.

- £976 made on 5 April 2019, covering April and May 2019.

As outlined above, I've said that LV should pay all alternative accommodation costs up to and including July 2019. And as kennelling costs are associated accommodation costs, these should be covered during the same period. So I think LV should calculate how much Ms B has paid in kennelling costs from the time she moved out of her home up to and including July 2019. It can deduct what it has already paid to Ms B and if there is any outstanding balance, this should be reimbursed, subject to the remaining terms of the policy.

Utility bills, council tax and other cost of living bills

Ms B said she has incurred a number of additional living costs since moving into alternative accommodation.

Ms B said she was paying council tax on her own property until it was accepted as being uninhabitable by her local council. Ms B said she was also paying council tax in alternative accommodation at the same time. I understand from Ms B that the council have refused to refund any council tax payments made before her home was accepted by the council as uninhabitable, so I need to consider whether Ms B should be reimbursed for any council tax payments made by her after she moved into alternative accommodation.

I know that Ms B had asked LV to provide her with a letter that she could give to the council to let them know her house was uninhabitable and that LV were reluctant to do this initially, as it had no evidence that Ms B had actually moved out of her property.

When I issued the first provisional decision, I said I needed more information about whether LV had already made any payments towards council tax, and information from Ms B about when she was and wasn't charged council tax up until her local council said her home was uninhabitable.

Ms B provided council tax bills for her own home and two other properties that she's lived in since the escape of water. And LV provided information about how much money it had paid so far towards council tax.

If the escape of water hadn't happened, then Ms B would have been paying council tax on her own home in the usual way. So the view I take is that Ms B shouldn't be put in a position where she's paying more council tax than she would have paid if she hadn't needed to leave her home.

The council tax bills provided by Ms B show that her home is in Property Valuation Band C and that she is eligible for a single occupier discount and disabled reduction.

If Ms B can show that she has paid more than the council tax that would have been owed on her own home if she had remained in it, then LV should reimburse her for the difference. It might be that Ms B will need to approach her local council again and ask it to calculate how much she would have paid on her own home if she had remained in it, taking into account the various discounts she's entitled to. Ms B can then submit this information to LV, along with evidence of how much council tax she's actually paid. If there's then evidence to suggest Ms B has paid more in council tax than she would have paid if she had remained in her own home, then LV should arrange a reimbursement of this amount.

LV has said it's already made the following payments towards council tax and these amounts should be deducted from any amounts that may be owed to Ms B:

- £633.32 in relation to Ms B's home address – made up of seven months at £90.47 per month for the period from 2 September 2017 to 31 March 2018.
- £361.88 in relation to one of the alternative accommodation addresses – made up of four months at £90.47 for the period from 2 September 2017 and 31 December 2017.

Ms B has also asked for laundry costs; the cost of travelling by cab to and from her property; more expensive phone package charges; the cost of removing hazardous rubbish and whether woodwork treatment that she paid for in 2018 should be undertaken again and paid for by LV. I asked Ms B to provide me with more information about these issues so that I could consider each one.

After I issued the first provisional decision, Ms B sent me a copy of an invoice showing that wood boring insect treatment was carried out at her home in August 2018. I can see this has a thirty-year guarantee. I know that Ms B wanted me to comment on whether this treatment should be carried out again and paid for by LV, but the treatment was carried out around 18 months after the first escape of water and so I can't see any reason why, even if it needed to be carried out again, that it would be paid for by LV. If Ms B is concerned about the impact the second, and much less extensive, escape of water might have had on the guarantee that came with the treatment, then she should contact the treatment provider and raise her concerns with them.

I don't have enough specific information from Ms B to consider the other expenses, mentioned above, that she wanted me to look at. It's possible that Ms B might find receipts or other relevant information about these expenses once she's taken her possessions out of storage. If Ms B does find these receipts at a later date then she should send them to LV and LV should consider whether they are reasonable, *additional* costs that have been incurred by Ms B as a result of the claim. And if that's the case, then LV should refund the costs to Ms B, taking into consideration that it has already made payments towards electric and water expenses in January 2019. And also taking into consideration that LV is only required to cover alternative accommodation and associated costs up to the date the work on Ms B's home was completed in July 2019.

Contents

I can see that the volume of possessions in Ms B's home made it difficult for assessments and repairs of the property to be carried out during the course of the claim.

In May 2017 LV's claim handlers wrote to Ms B and advised her that liability would not be accepted and alternative accommodation costs would be at her own expense if her possessions were not removed, to allow the necessary work to be carried out.

LV and Ms B spoke on 16 May 2017 about disposing of any damaged items, putting what items they could into storage or into rooms that weren't affected by the escape of water. In June 2017 LV's contractors filled up several skips with BER items and disposed of these. A list was kept of the items disposed of. Remaining items were either put into rooms in the property where no work needed to be carried out or were boxed up and put into storage.

When LV completed the work on Ms B's property, it offered to pay £3,000 to cover the cost of contents damaged following the escape of water. I believe Ms B has not accepted this offer.

I know that Ms B has said there are some valuable pieces of jewellery and pottery that she can no longer find, as well as a number of sentimental and personal items. And she would like LV to pay for these. Having seen the BER list drawn up by LV's contractors, I can see that there aren't any items of jewellery or pottery on it. So I'm satisfied it's unlikely these items were put in the skip and disposed of. These items might well be in the 100 or so boxes that were put into storage.

The BER list was largely made up of around 60 paperback and hardback books, a number of VHS and DVDs, items of clothing and shoes and household items including curtains and bed linen. When she responded to the provisional decision, Ms B said she had previously given LV receipts to show that she owned more than £9,000 of books. And she wanted LV to refund her the cost of these. But I can only ask LV to refund the cost of books that have been either destroyed or damaged by the leak. The BER list shows the books that were damaged and these don't amount to anywhere close to that figure. It could well be that many of the books are in storage.

As the claim progressed, other larger items were put into storage. I believe this happened when a radiator and floorboards needed to be replaced in one of the bedrooms that hadn't initially been earmarked for work, as it wasn't damaged by the first escape of water. When Ms B responded to the first provisional decision, she raised concerns about the whereabouts of her furniture and provided a list of furniture that she thought might be missing.

After I issued the second provisional decision, LV provided me with an inventory of items placed into storage by its contractors in March 2019. And I can see that this includes some of the items Ms B raised concerns about including disabled assisted chairs, bed bases and mattresses. There are also a large number of books, electrical items, furniture and ornaments. I can see that the inventory hasn't been signed by Ms B or a representative as no one was available at the time to sign the paperwork. So, from what I can see, those of Ms B's possessions that aren't on the BER list are most likely in storage.

Nonetheless, given the concerns raised by Ms B, I think it's fair to give her the opportunity, after she's removed her possessions from storage, to check whether any of the items in storage are damaged or missing. And if it's the case that items are damaged or missing, then Ms B can present this information to LV as a new complaint. LV should be given the appropriate amount of time to deal with it and if Ms B remains unhappy, she can bring it to this service as a new complaint.

So based on the information available, I'm satisfied the £3,000 offered by LV to cover the cost of the damaged items disposed of seems fair. But Ms B should be allowed to raise any concerns she has about additional missing or damaged items with LV once she's had the chance to look through her possessions in storage.

I know that Ms B is aggrieved that the skip with the items to be disposed of was taken away before she had an opportunity to go through it and decide if she wanted to keep any of the items listed as BER. I don't doubt this was distressing for her. But these items can't be returned at this stage and the only redress is for the contents claim to be paid, which LV has offered to do.

I can see that LV has agreed to cover some of the cost of storing Ms B's possessions. And it wrote to Ms B in July 2019 letting her know that she should remove the remaining items from storage or cover the cost herself, now that the work on her property was complete. As far as I am aware, Ms B has not removed the items from storage. When I issued the first provisional decision, I asked for more information about storage costs.

When LV responded to the first provisional decision, it provided the following breakdown of payments it had already made to Ms B for the costs she has incurred in storing her possessions;

- A payment of £10,453.37 made on 21 January 2019 included an amount of £1,134 towards storage costs for the period covering 15 June 2017 to 28 December 2017. This was seven, four-week periods at £162 per week. Also included was a payment of £360 towards removal costs.
- LV said when it receives documentary evidence showing the storage costs incurred by Ms B, it will reimburse from 23 January 2017 to 31 December 2017 and 18 February 2019 to 28 July 2019.

When Ms B responded to the first provisional decision she provided information about how much she's paid to date for storage costs and these have been forwarded to LV.

When LV responded to the first provisional decision it also provided information about the storage costs it has been paying directly to its own supplier – separate to the costs Ms B has been paying her own storage provider. It said as a consequence of Ms B not moving back to her home in July 2019, it has incurred over £20,000 in storage costs, up to September 2020. And it's awaiting a further invoice from its suppliers for the period from September 2020 to the current date.

LV also said it previously provided Ms B with options regarding the return of her property, including an agreement to fund the staged return of possessions, due to the volume of items in storage. It said it indicated that if Ms B did not respond, it would have no alternative but to off-set continued storage costs from any other payment due to Ms B. LV said If Ms B now assists with the return or disposal of her property, as a gesture to try and find a way forward, it will meet the storage costs to the end of January 2021 and not off-set these costs from final payments due to Ms B. It also said this on-going storage expense cannot be met for a further extended period.

I take the view that LV has been very reasonable here in offering to cover the storage costs incurred by its own supplier up until the end of January 2021. While I can't ask Ms B to take a particular course of action in relation to the items in storage, my understanding is that her home is virtually empty at this stage and I would encourage her to take steps to move her possessions back into her home as soon as she can, in order to avoid paying any more than the storage costs she has already incurred.

In relation to the storage costs Ms B has been paying for, I take the view that LV should cover these storage costs up to and including October 2019. Ms B's home was ready for her to move into in July 2019 and so I don't think it would be fair to ask LV to cover storage costs after this point. Except that Ms B would have needed some additional time, given the volume of her possessions and her health issues, to arrange for items in storage to be moved back into her home. So this is why I am asking LV to cover Ms B's own storage costs up until the end of October 2019, subject to the remaining terms of the policy.

Second escape of water treated as a second claim in 2019

While work was being carried out on Ms B's property in 2019, LV's contractors said they noticed the carpet in bedroom two, which is one of the bedrooms they weren't working on, was wet. When they looked into this, they decided that the floorboards needed to be replaced, as did the radiator. LV accepted this work as a further claim, as it said the damage was not caused by the initial water leak. It said the cost of replacing the carpet was considered to be £350 and as the policy excess for this claim is £350, no payment was due from Ms B.

Ms B doesn't think it's fair that this was treated as a separate claim as she is concerned that the second escape of water was caused by LV's contractors while they were carrying out other work on the property.

When I issued the provisional decision, I asked LV to provide any claim notes or other information in relation to the leak in 2019 so that I could see whether LV acted fairly when it treated this as a second claim. This was to ensure Ms B hadn't been placed at a disadvantage by having to pay a second excess.

The information provided by LV says that the leak in the middle bedroom seems to have happened as a result of a corroded radiator. The contractors working on the property at the time thought the radiator had most likely been leaking for some time before it was discovered. LV agreed that the contractors should replace the radiator, replace the affected floorboards and the affected joists underneath. LV decided not to remove the built-in cupboard in order to replace the joists and floorboards underneath it as this would cause damage to the artex ceiling and the general room decoration. Instead the contractors cut around the bottom of the cupboard and attempted to re-support it with additional noggins beneath the area. The carpet and underlay were disposed of, and LV assessed the cost of having these replaced at £350.

I think LV acted fairly when it treated the radiator leak as a separate claim. I know that Ms B is concerned the damage was caused by the contractors, but the contractors weren't working in that room. So I'm satisfied on balance, that the damage to the carpets and floorboards was most likely caused by a corroded radiator that had been leaking for some time and so was not connected to the 2017 escape of water claim.

I've looked at how LV dealt with the claim and I don't think it offered enough for Ms B to replace the carpets and underlay in the room. When Ms B responded to the provisional decision, she provided a quote that shows it will cost her £720 to have this done.

Ms B also submitted a quote for having the built-in cupboard in this room taken out and replaced. When LV first assessed this claim in 2019, it didn't address the question of whether the fitted wardrobe was in any way damaged as a result of the radiator leak and so whether it needed to be replaced or repaired. So I've considered this now.

I've looked at the photographs provided by the surveyor who visited Ms B's property in July 2020 and I think these show water stains, where water has penetrated the cupboard sides and door from below. And this is in the area where the carpets and floorboards were most likely wet for a lengthy period of time and the carpets were most likely resting against this part of the cupboard.

I contacted LV and outlined why I thought it should pay £720 towards the cost of replacing the carpet and £2,250 towards the cost of replacing the fitted cupboard, less the £350 excess. LV has agreed to pay both.

I take the view that LV should also pay an amount of £150 towards the cost of having the small remaining section of wet and damaged floorboards, underneath the existing fitted cupboard, replaced and having the holes above the skirting, that were most likely caused when the skirting was levered off, filled in and sanded back. I think it's fair to ask LV to pay an additional £100 so that any damage caused to the wall or ceiling in the bedroom when the fitted wardrobe is removed can be made good.

Losing her key

Ms B said she provided LV with keys back in 2017 that it lost and Ms B said she incurred costs when she had replacement locks fitted.

I can see that in its final response letter to Ms B in October 2017, LV said it was willing to cover the costs Ms B incurred when the keys to the property were lost in the post. It said it didn't receive an answer to the letter sent by its contractors to Ms B about this in September 2017.

So, from what I can see, LV has offered to reimburse the cost of having the locks replaced, but Ms B first of all needs to provide LV with documentation that shows exactly what cost she incurred when this was done.

When I issued the provisional decision, I asked Ms B to provide proof that the locks were changed and proof of the costs incurred. Ms B hasn't provided this yet. It might well be the case that the receipt for the work is in storage with the rest of Ms B's possessions at this point in time. So I think that as long as Ms B can find evidence at some stage that she had this work carried out, LV should reimburse her for the costs she incurred in replacing the locks in 2017.

Other issues

Ms B raised other issues with the property.

Ms B said the loft insulation is too narrow and is not a like for like replacement. However, the independent surveyor's report from August 2020 indicates that the replacement insulation is the same width – 250mm – as the insulation that was put into the attic in 2003. So I'm not asking LV to take any further action in relation to the attic insulation.

Ms B said LV damaged her front door. LV has said they are willing to replace the door. They have offered a cash settlement of £431.78, inclusive of VAT, labour and disposal of the old door. I think this is a reasonable amount and so I'm not asking LV to do any more in relation to the front door.

Ms B said her garden is still full of rubbish and she wants LV to remove this. But I can see that while the independent surveyor agreed the garden does have quite a lot of rubbish in it, this doesn't appear to be related to building work. And if it's not related to the building work then it wouldn't be fair to ask LV to remove it. So I'm not asking LV to take any further action in relation to the rubbish in the front garden.

Ms B also raised concerns about the size of one of the replacement radiators in her home. It's smaller than the original radiator and so bare plaster is now exposed. I can see that the surveyor mentioned this in his report. I think in this instance it would be fair for LV to contribute something towards the cost of putting this right. But I don't think it needs to pay the total cost of having this room redecorated. I can see there is damage to the wallpaper in other parts of the room and so it was always going to be the case that Ms B would have needed to get this room redecorated, at her own expense, if she was concerned about missing sections of wallpaper. So I think LV should contribute £100 towards the cost of redecorating this room.

I'm aware that Ms B had concerns about the renewal of her home insurance policy in 2019/2020. And this included concerns about home emergency and legal cover being removed. When Ms B responded to the provisional decision, she asked why this hadn't been addressed. However, I am dealing only with the claim made in 2017, the home emergency call out and the further leak in 2019. If Ms B wants this service to look into how LV have dealt with the renewal of her policy, then she will need to make a separate complaint to LV in the usual way. And if she is unhappy with the response she receives, she can bring it to this service as a separate complaint.

When Ms B responded to the first provisional decision, she said the pipes that originally leaked are leaking again. But I am not addressing that as part of this decision. I'm satisfied that the pipe did not continue to leak when LV's contractors were working in Ms B's home. And although the water was turned off when the surveyor visited the property, he did not note any new water damage after the work was completed. So I'm satisfied this is most likely a new leak and Ms B should make a new claim to LV. I realise that the builder who recently provided Ms B with a quote for extensive works said the property was uninhabitable. But I'm satisfied he made that assessment because of the new leak and the damage it was causing and the property potentially being uninhabitable now is not linked to the claim being dealt with in this decision.

Putting things right

The following are the steps I require LV to take to put things right in relation to Ms B's complaint, subject to the remaining terms of Ms B's policy:

Pay Ms B a further £175 (in addition to the £25 already paid) for the error made when dealing with the home emergency call out.

Pay alternative accommodation costs up to and including July 2019.

Cover kennelling costs up to and including July 2019.

Cover council tax paid by Ms B that is over and above what she would have paid if she had been able to remain in her home.

Pay, at a later point if necessary, utility expenses incurred by Ms B that are over and above those she would have incurred if she had been able to remain in her home, up to and including July 2019.

Pay for a replacement door to the value of £431.78.

Pay the following amounts outlined by LV in August 2020, which were:

- Pendant light fittings - £100
- Carbon/smoke detectors - £50
- Body drier - £100

Pay a total of £2,670 for hallway and front bedroom carpets.

Pay a total of £3,220 in relation to the second claim in March 2019, less the £350 excess.

Pay a total of £790 towards having an appropriate toilet and basin fitted.

Pay the £3,000 contents settlement to Ms B. But Ms B should be allowed to raise any concerns she has about additional missing or damaged items with LV once she's had the chance to look through her possessions in storage. And this should, if necessary, be dealt with as a new complaint.

Cover the cost of storage fees incurred by its own supplier up until January 2021.

Cover the cost of other storage fees incurred by Ms B up to the end of October 2019.

Pay for the locks that needed to be replaced at Ms B's home, subject to Ms B providing proof of the cost incurred by her.

Pay an amount of £100 towards redecorating one of the bedrooms.

my final decision

My final decision is that I require Liverpool Victoria Insurance Company Limited to carry out the actions outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 30 April 2021.

Martina Ryan
ombudsman