

The complaint

Mrs L and Mr L complained about Liverpool Victoria Insurance Company Limited. They aren't happy about the way it dealt with a claim under their home insurance policy.

What happened

Mrs L and Mr L made a claim under their home insurance policy. But LV failed to deal with the claim very well and Mrs and Mr L had to endure multiple attempts at repair by LV's agents as the repair of the floor was so poorly done.

When they complained to LV about this it acknowledged its agents' failures and appointed a new repairer to undertake the repairs to the expected standard which is ongoing. And LV offered £300 by way of compensation in acknowledgment of its very poor handling of the claim and repairs. But as Mrs L and Mr L weren't happy with the level of compensation offered they complained to this Service.

Our investigator looked into things for them and upheld their complaint. He accepted the ongoing claim and disruption had caused a fair degree of stress, annoyance and inconvenience to Mrs L and Mr L and thought the level of compensation should be increased to £800.

LV accepted the position outlined by the investigator, but Mrs L and Mr L didn't so the matter has been passed to me for review.

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.

It isn't disputed that LV's agents attempts at repairing Mrs L and Mr L's flooring has been inadequate to date. The repair is ongoing and hopefully will be completed to a high standard soon. So, the only thing left to focus on is the level of compensation LV should award in an attempt to ease the significant stress and inconvenience its poor repairs to date have caused Mrs L and Mr L.

I have a lot of sympathy for the position Mrs L and Mr L have found themselves in. The poor repair of the floor has left them extremely inconvenienced and it has impacted their own health problems and continues to do so. I don't think any amount of compensation would put right the difficulties they have faced with this repair over a significant period of time.

I know Mrs L and Mr L would like a lot more in compensation than the £800 our investigator suggested LV increase its offer to, from £300. But this Service's awards are relatively modest in nature and this is in line with the kind of award I would ordinarily make. I know Mr L has broken this down to a daily figure for the whole time he feels he has been inconvenienced for and outlined that when this is broken down to a daily rate that £800 is low.

However, there is always a fair degree of inconvenience caused when dealing with insurance claims like this one, although the additional repairs and inconvenience shouldn't have had to be endured. And all this has affected Mrs L and Mr L during a period of poor health so obviously things have been made worse.

While I accept all of this and have every sympathy with the stress all this has caused Mrs L and Mr L I think £800 is fair in the circumstances. Even if I was to increase this it would be by a relatively small margin and I know Mrs L and Mr L feel they should get thousands more by way of compensation, but I don't feel that would be fair on the business either. And I must highlight that we are not here to punish businesses but look to put things right. And an increase in compensation to £800, from £300, feels fair in the circumstances in acknowledgement of the upheaval caused, especially as Mrs L is vulnerable and faced serious medical difficulties.

My final decision

It follows, for the reasons given above, that I'm upholding this complaint. I require Liverpool Victoria Insurance Company Limited to pay £800 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L and Mr L to accept or reject my decision before 13 September 2023.

Colin Keegan
Ombudsman