

The complaint

Mr V complains about Liverpool Victoria Insurance Company Limited (LV)'s handling of his buildings insurance claim.

All references to LV also include its appointed agents.

What happened

What this decision covers

My decision covers events following LV's final response sent in October 2022 up to its final response provided in May 2023. I'm aware Mr V has raised multiple complaints regarding this claim. However, I've explained my decision under a separate case reference why this service can't consider Final Responses issued up to October 2022 – so I will not comment on those complaints further here.

Any reference to any events outside of the timeframe of this complaint are purely for context only.

Below is intended to be a summary of what happened and does not therefore include a full timeline or list every point that has been made. It is a summary of the key events that form this complaint.

Mr V made a claim on his buildings insurance policy due to an escape of oil that had damaged and contaminated his property.

In its initial reports, LV noted the damage had come from an oil storage tank belonging to Mr V's neighbour. High winds had caused the tank to spill and empty its contents.

During the course of the claim Mr V has raised several issues regarding LV's handling of the claim. In relation to this complaint, Mr V raised the following issues:

- He is unhappy with the actions and approach to works carried out by LV's agents – including contractors and its loss adjuster. He wants compensation for this and the distress, discomfort and disruption to his life caused by the escape of oil at his neighbour's property.
- LV didn't pursue a recovery of costs from his neighbour's insurer (TPI) – including compensation for the impact matters had on Mr V.
- Mr V said his premiums increased substantially due to the claim

In its final response of May 2023, LV said it offered Mr V alternative accommodation (AA) several times throughout the journey of the claim. It said it had done so due to health concerns from fumes if Mr V remained in the property, and to allow its contractors to carry out investigative work.

It said its contractors found more than one escape of oil at the property. As a result, its solicitors concluded it was unable to pursue a recovery for the claim costs from Mr V's

neighbour and therefore this unfortunately meant his premium would be affected by this claim at renewal.

Mr V was dissatisfied with LV's response, so he brought the complaint to our service.

Our investigator's view

Our investigator didn't recommend we uphold Mr V's complaint. She felt LV had acted fairly in the circumstances.

She said LV offered Mr V multiple options of AA close to his property and made him aware of the risks and disruption works would cause if he remained there. She thought, had he taken AA, this would've reduced the inconvenience caused by a claim of this nature.

She said any claim by Mr V would impact the renewal premium. However, from reviewing the information available, she was satisfied LV's solicitors had considered matters sufficiently before concluding it would not seek recovery from TPI. So, she didn't think LV had acted unfairly here.

Mr V disagreed with our investigator's view and asked the matter to be referred to an ombudsman. In doing so he has reiterated the multiple issues he has experienced with LV during the time of the whole claim. Mr V has set out the impact matters have on him – and spoken of the issues it created through no fault of his own due to the damage originating from an incident at his neighbour's property.

What I've decided – and why

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

Mr V's strength of feeling about the claim is very clear to me and I understand why. This is his home and naturally is of great importance to him. I acknowledge what he's said about the impact matters have had on him - and for this he has my natural sympathy.

I want to assure Mr V I've thought about everything he's said very carefully – this includes his further correspondence following our investigator's view of the complaint. I'm aware I've summarised this complaint in far less detail, and I've done so using my own words. I'm not going to respond to every single point made by all the parties involved. No discourtesy is intended by this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

My role is to consider the evidence presented by Mr V and by LV and reach what I think is a fair and reasonable decision based on the facts of the case.

Having done so, I do not uphold this complaint for these reasons:

- In the timeframe I'm investigating I can see LV agreed in November 2022 to carry out work at the property in stages as an alternative to placing Mr V in AA. From reviewing the information available I can see it has tried to expedite works where it could, however I can see further issues have arisen which has meant the work required has at times needed to change or further investigation has been required - such as the discovery of a land drain during investigative work.

- LV is entitled to rely on the opinions of experts, while I acknowledge Mr V's concerns about how long works have taken, I've not seen any information that persuades me LV's proposals for works were obviously wrong.
- Claims of this nature can be complex and often involve a lot of inconvenience. I understand Mr V's comments that the circumstances which led to him raising the claim were caused by a third party – so the inconvenience this has caused is through no fault of his own. But from reviewing matters I don't think LV have acted unreasonably. It's carried out investigations and has consulted relevant experts in order to assure the correct work is completed. And I haven't seen anything that persuades me LV caused avoidable delays between November 2023 and May 2023.
- LV referred matters to its solicitors, and I can see it considered the details of the claim, including what LV said about the gauge being left in an open position. However, as there was more than one leak at the property, it said it didn't consider there were adequate prospects of success in recovering the costs from the TPI. The terms and conditions of the policy allow LV to take over and deal with the claim as it sees fit, so, again while Mr V has my sympathy about the position he finds himself in, I can't say LV have acted unfairly here. And unfortunately, a claim on a policy is likely to have an impact on premiums.

So for these reasons, I do not uphold this complaint.

My final decision

My final decision is that I do not uphold Mr V's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 20 August 2024.

Michael Baronti
Ombudsman