

The complaint

Mrs T has complained about her home insurer Liverpool Victoria Insurance Company Limited (LV) about a claim she made when she noticed her kitchen floor felt spongy.

What happened

Mrs T had become concerned about her kitchen floor. She thought there was or had been a leak which had caused it to become water damaged. She contacted LV on 25 February 2022 which then appointed an investigator and subsequently two leak detection teams were instructed, although only one attended. It was concluded there was no leak on-going or any water damage as covered by the policy in place.

Once LV's leak detection company had left Mrs T's home on 9 March 2022, Mrs T noticed water coming from the area of the dishwasher. She hadn't been happy with the conduct of the leak detection company and she felt they'd caused damage (and likely deliberately). LV appointed another assessor to view the dishwasher, doing so on 25 March 2022. A split in the hose was noticed which was leaking when the dishwasher filled up. It was felt this could have been done when the dishwasher was being moved. LV said it would pay £349.99 so Mrs T could replace the dishwasher with a like equivalent (the item and price available from an on-line retailer). A cheque for this sum was sent to her in May 2022. LV wasn't minded to do more, it didn't think this leak had caused any further damage to the floor and it maintained the floor had not been damaged by anything covered in the policy.

Mrs T remained unhappy, about the conduct of many people involved in the claim, she felt the pipe had been deliberately damaged and that more damage to her floor had been caused. She also still felt it was likely that there had been a leak, perhaps concealed and which perhaps had sealed itself, which had damaged her floor. She was also unhappy about having to wash up by hand because due to medical conditions, this is a struggle and painful for her. Mrs T complained to the Financial Ombudsman Service.

Our Investigator noted LV's offer to pay for a replacement dishwasher. But noted that the on-line retailer would charge for delivery, installation and recycling, on top of the sum LV had sent to Mrs T for the dishwasher itself. She felt LV should pay these charges and £100 compensation for the distress and inconvenience caused.

LV agreed. Mrs T said she was unhappy with the findings. She noted a connector pipe on the dishwasher was also damaged – identified when the replacement dishwasher (which cost more than the sum allowed for by LV) was being installed. Our Investigator noted that if this was not replaced as part of the installation, it would only cost around £10. So she wasn't minded to make LV pay anything more. In the meantime, Mrs T had shared evidence of the damaged connector pipe with LV. LV's view, confirmed to Mrs T, on 27 March 2023, was that this had likely been damaged all along, but missed during its leak detection investigations. It said it accepted this had been causing long-term damage to the floor which it would accept a water leak claim for under the policy. It said, with this having gone on for so long, it would pay £300 compensation.

Mrs T remained unhappy overall. She felt LV had put her in a difficult position for many months which had likely exacerbated her medical conditions. She felt compensation of at least £2,000 to £6,000 was fairly and reasonably due. Her complaint was passed to me for an Ombudsman's consideration.

I felt it would make sense to consider what had happened, and the distress Mrs T had been caused, up until LV accepted in March 2023 that there was an on-going leak. Our usual approach would be to deal with matters up to the final response issued by the business. But here the later discovery of the damaged connector caused LV to accept its investigations, undertaken prior to it issuing the aforementioned final response letter, were flawed. Essentially that it had been wrong, there was a valid claim under the policy. Which is what Mrs T had maintained all along. And I felt LV's change of view on the claim also impacted the findings our Investigator had made – which were based on the previously available evidence. So I felt it made sense to consider what had happened up until March 2023. In doing that I felt LV should be paying Mrs T a total of £1,000 compensation (an additional £600 where £400 had already been paid). I issued a provisional decision to explain my views to both parties. My provisional findings were:

"Our Investigator's findings"

I know Mrs T thinks these were somewhat flawed. My findings will now supersede those, so I won't go into her concerns about them in much detail. But I know Mrs T was frustrated that our Investigator's findings had referred to the problem with the kitchen likely being related to damp and also that she'd said LV was not covering the damaged flooring. I can understand Mrs T's frustration in this respect – by the time of our Investigators comments, dated 29 March 2023, LV had accepted there had been an on-going leak, which had caused damage to the flooring and which was accepted under the policy. But our Investigator had not been appraised of that update at that time.

The claim and LV's updated position

Mrs T made her claim for water damage to her kitchen flooring in February 2022. I think LV responded quite quickly at this time; appointing an investigator who attended within a few days of the claim being notified. However, as can be the case with water leak claims, he felt it was necessary to appoint a leak detection company. The subsequent report from the leak detection company shows it carried out fairly extensive investigations. But no leak was found. It was planned for another company to complete further checks – but this was put on hold when the problems with the dishwasher arose.

I appreciate Mrs T felt so many visits were unnecessary. But I can see that the two leak detection companies specialised in different areas – the latter focussing on underground pipework. So I think LV's initial enquiries, along with its plan for undertaking further investigations with the underground pipe team was fair and reasonable. I emphasise that I say that based on the situation as it was and regarding what was known at that time. Whilst Mrs T was adamant there was something wrong, LV was entitled to rely on the evidence of its experts. Which, at that time, pointed to the floor being damaged by something other than a water leak, perhaps by rising damp.

LV though, based on new evidence Mrs T provided, has now accepted that it was wrong in this respect. That, actually, its leak detection company, as thorough as it appeared to have been, likely missed the damaged connector on the dishwasher. So Mrs T, believing that there was an on-going but undiagnosed problem, has been vindicated. Unfortunately, it has taken about a year for the flawed nature of the initial investigations to be identified and the claim to have been accepted. Which has meant Mrs T has been living in a cold and damp kitchen, with spongy flooring all this time. And because this has coincided with Mrs T's

complaint to this service, I can see from her communications how worried she's been about her kitchen deteriorating. I also know she felt as though LV's representatives, in telling her there wasn't a leak, were talking down to her and this caused her a lot of distress. Something she would never have had to experience if the damaged connector had not been missed by the specialists sent in to investigate if there was a leak. I'll take this all into account when I look at compensation later in my decision.

Dishwasher damage

It was 9 March 2022 when LV's leak detection specialists damaged the pipe on Mrs T's dishwasher. LV initially acted quite quickly I think to get the damage assessed – that took place on 25 March 2022. But it was then not until mid-May 2022 that LV sent Mrs T a cheque to replace the dishwasher. I think that was too long and I don't doubt Mrs T was caused distress and inconvenience in the meantime. The price was a little low – by around £75.00 as it didn't account for delivery, installation and recycling charges. But I think it did reasonably allow Mrs T to replace her dishwasher. I note that she did not do that though for another six months. I think LV is responsible for any upset caused to Mrs T in the first two months after its specialist caused damage, but not in the six-month period after it had paid the replacement cost to Mrs T. I'll take that two-month period of distress and inconvenience into account when I look at compensation later in my decision.

LV paid Mrs T £349.99 for a replacement dishwasher. Following our Investigator's view it paid a further £75.00 for additional charges (£30.00 delivery, £25.00 installation and £20.00 recycling). A total of £424.99. Mrs T didn't get her replacement via the on-line retailer LV had taken its pricing from – but she did buy the same model. Her invoice is for £424.00; detailing the cost of the machine as £379.00, £25.00 for installation, £25.00 for recycling and £0 for delivery. I haven't seen that Mrs T incurred any other charges. I'm satisfied that LV has fairly paid Mrs T to cover her costs incurred due to its specialist damaging her dishwasher. I'm not minded to make LV pay anything more in this respect.

Compensation

I know LV has paid a total of £400 – the £100 suggested by our Investigator, plus £300 when it accepted the claim in March 2023. I'm not persuaded that is fair and reasonable in all the circumstances here.

I accept that when Mrs T had to wash up by hand for two months, for her that caused serious disruption to her daily life. I say that because she's explained to our Investigator about some of her medical conditions, with symptoms such as exhaustion. For Mrs T, having use of a dishwasher was clearly a necessity, without which her daily routine and what she was able to do during the day, had to substantially change.

I also accept that Mrs T feels her conditions have been exacerbated by this situation. And I can certainly see that having to do extra work, such as washing up, as well as suffering worry over the whole year since notifying the claim until LV accepted it, would cause her more concern over her health.

I noted above that Mrs T lived for a year in a damp kitchen which she thought felt colder. I don't doubt this was very inconvenient for her. And I'm mindful of the not insubstantial worry she was facing about the deteriorating state of the kitchen. She also faced the upset caused by LV declining her claim.

Taking all of that into account, I think a total of £1,000 compensation is fairly and reasonably due to Mrs T. I appreciate she has referred to an award between £2,000 and £6,000. But I think an award in that range wouldn't be fair and reasonable here. That level of award

would usually only be made where the complainant had been affected for more than a year and as I've noted here, the worst of the distress and inconvenience Mrs T suffered here, which I've found LV is liable for, was limited to the two-month period after the dishwasher was damaged."

LV said it accepted my findings.

Mrs T was unhappy with my findings. I've summarised her responses below:

- Mrs T provided a re-write of my decision, to include facts she feels are important and which she believes I had overlooked.
- She said the second leak detection company did attend.
- She is upset again by my further reference to rising damp.
- Mrs T said a lot had happened since March 2023 that needed to be taken into account – she said she feels that to not do so would be unjust and biased. She also felt this was what was meant by my decision being provisional and inviting further evidence.
- There are various illegalities which have been overlooked, including vandalism.
- LV withheld documents in breach of data rights.
- She was offended by my appearing to have assumed what she had felt when I said that she had felt "talked down to". Her concerns were about incompetence and corruption. She feels she has been stereotyped as an elderly woman with disabilities.
- She had replaced the dishwasher as soon as she could after receipt of the cheque, given it had to be paid into the bank and she had to research and order the new machine. From payment by her to the retailer, to completed installation, alone took 19 days. She had other urgent priorities at the time of receipt of the cheque too. So her distress and inconvenience suffered throughout this eight month period, March 2022 until installation was completed in November 2022, should be taken into account.
- A recent DSAR request has returned photos from the visit in 2022, and a later visit (after March 2023) which she did not know were being taken and where she had not given consent for photography. She says they don't seem to be relevant to the claim. She has researched this and understands it to be a gross violation of privacy.
- The damage in the kitchen, to the kitchen floor and including to the pipe housing for the dishwasher, remains. She'd complained about the damage as part of this complaint – but it hasn't been answered.

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.

I thank Mrs T for the detail she's given in response to my provisional decision. I can assure her that I was aware of all of that when considering her complaint. I've reviewed my complaint summary and background set out initially, and which I've used again in this final decision. I'm satisfied it presents a fair summarised reflection of what happened and the key points of the complaint.

There are though, two specific points raised by Mrs T which I need to add further comment on. These are regarding the second leak detection company and rising damp.

Mrs T's pointed out that the second leak detection company did attend. I appreciate that – but I'm satisfied this doesn't materially affect my findings. That is because I said it was reasonable for LV to have appointed both companies.

I understand the previous references to rising damp have upset Mrs T. But this has been mentioned because it was the view of LV, during the course of its claim investigations, when no leaks had been found, that this might be the cause of the damage at Mrs T's home. LV's decision in March 2023, that the dishwasher had likely been leaking over a prolonged period, and to accept a claim for water damage under the policy, superseded that.

I've explained provisionally that I can't look at what has happened since LV accepted the water damage claim. As an informal dispute resolution service, we aren't claims handlers and we consider complaints about what has happened. Mrs T's complaint was, in essence, about LV not accepting that there was water damage covered by her policy. As of March 2023, that issue was resolved because LV accepted, at least in part due to Mrs T's diligence, that there was a valid claim under the policy. So the situation materially changed with LV beginning to act regarding resolving the claim. Anything that happened then, and which Mrs T is unhappy about, must, reasonably, form part of a new complaint.

My previous decision, the findings of which I've copied above, was a provisional one. It explained clearly the period which I was considering. I invited the parties to provide further evidence regarding my findings. There was no indication from or intent by me expressed to extend that period or to welcome evidence about what had occurred and upset which had been caused, after LV's acceptance in March 2023.

The Financial Ombudsman Service does not make decisions about criminal matters. We can't decide if a breach of data rights has occurred. Issues like that are for the courts and regulators such as the Information Commissioner's Office to determine.

With the above comment noted, I did confirm in my provisional findings that LV's agent, during investigations into the leak, caused additional damage to the dishwasher. And I accepted that this caused Mrs T distress and inconvenience. As part of our complaint process, relevant reports and complaint evidence have been shared with Mrs T.

I'm sorry that my provisional findings have caused offense to Mrs T. I can assure her that I fully considered her submissions and impartially came to my views about what had happened. Part of my role is to take into account the specific circumstances of the complainant in order to properly determine if they've been caused distress and inconvenience. I can confirm that my provisional findings and this final decision have been made impartially with no bias.

I appreciate that Mrs T disagrees with my assessment of the period of suffering LV is responsible for in respect of replacing her dishwasher. But Mrs T hasn't said anything new that I wasn't aware of when reaching my provisional findings. I remain satisfied that my provisional findings and outcome, set out in this respect are fair and reasonable.

I appreciate that Mrs T is upset by photos she has recently received from LV. As she has only recently received them, their existence and how Mrs T feels about them was not part of her original complaint about the claim and LV's conduct during 2022 and the early part of 2023. LV needs a chance to consider Mrs T's complaint in this respect before the Financial Ombudsman Service can become involved.

I know there is unresolved damage at Mrs T's home. But as of March 2023 LV accepted there was damage for it to consider under the policy. The fact of that damage having been unresolved until March 2023, and what LV fairly had to do regarding the dishwasher, has been considered by me. What has happened since LV's acceptance on 27 March 2023, including any repair or lack thereof, would need, as I've said, to be dealt with as a new complaint.

With regret for any disappointment this may cause Mrs T, having considered her responses to my provisional decision, I'm not minded to change my views on or the outcome of, the complaint. As such my provisional findings, along with my comments above, are now the findings of this, my final decision.

Putting things right

I require LV to pay Mrs T a further £600 compensation. Where my total award is £1,000 but £400 has already been paid.

My final decision

I uphold this complaint. I require Liverpool Victoria Insurance Company Limited to provide the redress set out above at "Putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 21 November 2023.

Fiona Robinson
Ombudsman