

The complaint

Mr and Mrs G have complained that, after they made a claim under their home insurance policy, a contractor appointed by Liverpool Victoria Insurance Company Limited (LV) caused further damage to their property. They are also unhappy with the service they received.

What happened

In January 2023 Mr and Mrs G made a claim to LV for damage caused by a leaking soil pipe running above their kitchen ceiling. On 8 April Mr and Mrs G complained about the way their claim had been handled. The damage was eventually repaired in May 2023. LV accepted that the claim hadn't been handled well and paid them £800 compensation.

On 9 July Mr and Mrs G reported that there was another leak from the soil pipe. They said the emergency plumber thought this had been caused by the original repair work. He thought a join had become loose when LV's contractor had fitted the new part and they should have checked the full length of the pipe.

LV said it was a new leak and not related to the previous work. So it treated the damage as a new claim and Mr and Mrs G had to pay a second excess of £350. After Mr and Mrs G complained, on 24 October 2023 LV issued its final response. It said it had asked its loss adjuster to advise whether the leaks were connected. It apologised for the delay and offered them £250 compensation.

Mr and Mrs G brought their complaint to this service. I issued a provisional decision explaining why I was minded to uphold the complaint. An extract from my provisional findings is set out below:

"There's not a lot of evidence available to me about whether the second claim was caused by LV's original contractor. And since no-one has come up with a definitive answer in the intervening time, I think it unlikely that the cause will ever be established for certain. So I think the sensible course of action at this stage is to decide what has happened on the balance of probabilities.

LV seems to be placing a lot of weight on the fact that the second leak came from a new location. According to Mr and Mrs G, the emergency plumber and the loss adjuster when on site agreed that the second leak had been caused by the contractor's work in May. The emergency plumber reported that the second leak was coming from the join between the sink waste and the soil pipe. The original leak was further along from the toilet waste pipe. Mr and Mrs G thinks LV's contractor pulled the soil pipe when they were repairing it so that it became disconnected at the sink end. That seems a reasonable assumption to me.

Given that LV's contractor had been repairing the section of soil pipe close to the location of the second leak just over two months' previously, I think it's more likely than not that they pulled the connector loose rather than it suddenly became loose for no obvious reason. So I think it's more likely than not that the damage was caused by LV's contractor. That being the case, I provisionally think LV should deal with the matter as part of the previous claim and not charge a new excess.

In July 2023 an emergency plumber exposed the soil pipe above the kitchen ceiling to fix the leak. From that point their bathroom became unusable. The open soil pipe meant there were foul smells in their kitchen. There were holes in their kitchen ceiling and bathroom. It may be that the dispute about liability held up repairs. But on the other hand it did take LV's contractor about four months to repair the original leak despite multiple visits to the property. I can understand that this would have been very stressful for Mr and Mrs G.

In addition, there was poor communication from LV. For example, Mr and Mrs G weren't told that LV had decided to use another contractor until they chased. They often had no substantive response to their emails. So, as well as living in unsanitary conditions, for the following three months from the second leak, they were often in the dark about the progress of their claim.

LV offered them £250 compensation for this. In the circumstances I think the sum of £500 would be appropriate to compensate them for the trouble and upset they've been caused by the delays and poor management of the claim."

LV made the following points in response:

- It forwarded an extract from its second contractor's report which it thought supported the case that the most recent leak hadn't been caused by the original contractor.
- Mr and Mrs G had requested the appointment of a different contractor.
- Its loss adjuster had never agreed that the second leak had been caused by LV's contractor.

Our Investigator forwarded the extract to Mr and Mrs G. They didn't know about this assessment and didn't think it was an independent opinion as the contractor had been instructed by the loss adjuster.

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.

LV told us it had a definitive answer on the cause of the further leak following receipt of an email from the second contractor which said:

"Following our revisit to inspect the internal shower room we have added works. From the information provided and the limited access to inspect some of the pipework it has been a little bit of detective work on how they have originally installed the pipework.

Additional works to the internal shower room! It appears that the EOW [escape of water] is coming from an internal boss under the floor where the shower tray has been bossed into the end of a soil pipe, it is unclear until the floor is removed and section of the wall to access the pipework as to how this has been installed by the original contractor. From the location of the WC and shower and the location of the external soil pipe to achieve the falls from the shower waste and the WC waste that the install has not been installed correctly. The internal shower room will need to be stripped back and the plumbing inspected and installed correctly."

If I understand it correctly, this contractor seems to be saying that it won't be clear until the floor and a section of wall has been removed what exactly the cause of the further leak was. So I don't think LV has sufficiently evidenced that this leak was caused by the pipework not

been installed correctly as opposed to it having been dislodged by the original contractor two months earlier.

As I don't think there's enough evidence that the second leak was caused by incorrect installation, I don't think it was fair and reasonable for LV to require Mr and Mrs G to pay another claim excess.

I didn't say that Mr and Mrs G hadn't requested the appointment of a different contractor. I simply said they hadn't been told that LV had appointed another contractor until they chased the progress of their claim.

Mr and Mrs G and the loss adjuster have a different recollection of the conversation they had shortly after the further leak was discovered. It's impossible for me to decide which account is correct. But I don't think that matters as I haven't relied on this conversation in reaching my decision.

Neither party has objected to my proposed compensation award. So I see no reason to change it.

My final decision

For the reasons set out above, I uphold this complaint and require Liverpool Victoria Insurance Company Limited to:

- treat the second leak as part of the previous claim and not charge a new excess; and
- pay Mr and Mrs G £500 compensation for the trouble and upset it caused them.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs G to accept or reject my decision before 23 May 2024.

Elizabeth Grant
Ombudsman