

The complaint

Dr B and Ms A complain about Liverpool Victoria Insurance Company Limited's repairs under a home insurance policy.

Liverpool Victoria Insurance Company Limited (LV) has been represented on the claim by its agents. For simplicity, at points, I've referred to the actions of LV's agents as being its own.

What happened

Dr B and Ms A had a home insurance policy with LV, and in 2023, following a leak, they made a claim.

As part of works to address the damage, LV cut through part of an existing wall in the kitchen. LV then proposed to plaster and skim this wall up to and around the unaffected kitchen units. Dr B and Ms A were not happy with this as they felt the wall in the repaired area would be a different depth to the wall behind the kitchen units. They complained LV was unwilling to remove the kitchen units and replaster the whole wall.

LV issued a complaint response in August 2024. It said the proposed works to skim the wall up to the kitchen units was fair, and that removing the kitchen units to plaster the wall behind was not covered under the policy. LV completed repairs on this basis.

Dr B and Ms A referred their complaint to the Financial Ombudsman Service. They said before LV's repairs, the entire wall was smooth across its entire surface. Following LV's repairs, they said the depth of the repaired area of the wall was different to the unrepaired areas. They said this meant they were exposed to future costs if they decided to remove the kitchen units or change them to units of a different size. They wanted LV to cover the cost of getting the entire wall replastered, so it was smooth along the entire surface.

The Investigator upheld the complaint. They said LV didn't put Dr B and Ms A back in the position they were in prior to the loss, as there was a difference in the surface levels of the wall. They recommended LV revisit the property and ensure the surface of the entire wall is even. They also recommended LV pay Dr B and Ms A £150 compensation. LV disagreed. It provided photos of the original wall and the finished repairs. It said the affected area doesn't look substantially different to how it was before.

I issued a provisional decision not upholding this complaint and I said the following:

"Dr B and Ms A provided a lot of information in support of their complaint. I assure them I've taken everything they've provided into account. But in this decision I've focused on what I think are the key issues in this complaint. No discourtesy is intended by this, it simply reflects the informal nature of the way that the Financial Ombudsman Service reviews complaints."

Policies like Dr B and Ms A's are generally policies of indemnity. This means it aims to put Dr B and Ms A back in the position they were in just before the loss or damage happened. The terms of Dr B and Ms A's policy say LV can do this by repairing the loss or damage."

But in some circumstances, it doesn't need to be exactly the same position. I consider a reasonable settlement in the circumstances, is one that puts Dr B and Ms A into a broadly similar position to the one they were in before the loss.

LV chose to settle the claim by repair, so I'd expect it to indemnify Dr B and Ms A by carrying out an effective and lasting repair. This represents what our service considers a fair and reasonable approach to repairs.

To be effective, the repair must fully put right the damage. And to be lasting it must do so for an appropriate amount of time. I've reviewed the evidence, including photos, provided by both parties. And I'm satisfied LV did put right the damage. I've not seen sufficient evidence to persuade me the repairs carried out were to a poor standard, or unlikely to be lasting.

I appreciate Dr B and Ms A's point about wall depths, and the exposure to future costs. But the wall behind the current units was not damaged. And in order to find it fair to direct LV to carry out work to the undamaged wall, I'd need to be satisfied this work is genuinely necessary for an effective and lasting repair of the insured work (the damaged parts of the wall). I'm not satisfied this is the case in the circumstances. And I don't consider LV is required to carry out works to the undamaged parts of the wall, to protect Dr B and Ms A from future costs associated with changes to their kitchen.

For the reasons outlined above, I don't intend to direct LV to do anything else."

LV responded to say it had nothing further to add. Dr B and Ms A provided photos showing how LV cut out an area of the plasterboard and plastered around the kitchen units.

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've considered Dr B and Ms A's response to my provisional decision, but I've come to the same conclusion as before.

The photos Dr B and Ms A provided are in keeping with the photos I'd reviewed before I issued my provisional decision. It's not disputed that LV cut around the plasterboard and plastered and skimmed up to and around the unaffected kitchen units. But the question I need to consider is whether LV carried out an effective and lasting repair. And for the reasons I set out in my provisional decision, I'm satisfied LV has done this. So I have nothing to add to what I said before.

My final decision

For the reasons I set out above, it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Dr B and Ms A to accept or reject my decision before 25 April 2025.

Monjur Alam
Ombudsman