

The complaint

Mr and Mrs S complained that Liverpool Victoria Insurance Company Limited (“LV”) declined to cover items damaged by a storm, under their home buildings and contents insurance policy.

I’ll refer to Mr S in my decision for ease.

What happened

Mr S said the veranda at the rear of his property was damaged during a storm. He contacted LV to make a claim, which it accepted. Mr S said he received a settlement payment for the damaged veranda under his buildings cover. He said LV also told him he could claim for items on his patio that were damaged. Mr S said he subsequently discovered two chairs that had been damaged. He was asked to provide a quote for replacements, which he did.

Mr S explained that LV then decided to look again at the claim and the decision was made to decline cover for all items on his patio and the chairs that were damaged. Mr S didn’t think he’d been treated fairly and complained.

In its final complaint response LV explained it had initially agreed to pay for the content’s items claimed by Mr S. But it said this was an error. It said his policy terms exclude damage caused to contents in the garden damaged by a storm. It said there was no other insurable cause that applied to the damaged items Mr S was claiming for. The business apologised that it had provided inaccurate information and offered a total of £250 compensation.

Mr S didn’t think he’d been treated fairly and referred his complaint to our service. Our investigator didn’t uphold his complaint. She agreed with LV that its policy terms don’t cover the contents Mr S had claimed for. She thought the compensation LV offered for the mistake it made was fair.

Mr S didn’t accept our investigator’s findings and asked for an ombudsman to consider his complaint.

It has been passed to me to decide.

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.

Having done so I’m not upholding his complaint. I’m to disappoint him but I’ll explain why I think my decision is fair.

The policy renewal documents Mr S provided with his complaint submission to our service include the following terms and conditions:

“Cover and exclusions

Contents in the garden [included]: Damage by storm [excluded]

I've also read the policy booklet LV provided relating to Mr S's cover. This is headed "*Your cover and limits*". Under the section entitled 'Cover and exclusions' it provides the same policy terms that state cover is in place for contents in the garden. But it also confirms this excludes damage caused by a storm.

I think these policy terms are clearly worded. They're common terms used in the insurance industry. We don't think they're unfair. Mr S provided a copy of his renewal documents that confirmed this information. So, it's clear he had sight of these terms when his policy renewed.

Based on this evidence Mr S isn't covered for the damaged items on his patio or the chairs he claimed for. All these items were kept outside in the garden either on his patio or under the veranda.

I acknowledge Mr S has more recently said that his veranda was an extension of his property. He said this means the items he claimed for were technically within its boundary. The point Mr S is making here is that the items he claimed for were not 'in the garden'. And so should not be impacted by the exclusion LV relied on.

LV's claim records confirm it didn't think the veranda could be categorised as a building. Either as part of Mr S's house or as an outbuilding. I asked it to provide photos of the damaged veranda to understand more about its construction. The images it provided show a structure with a corrugated Perspex roof. There are no side walls. LV describes "*fairly thin lightweight legs*" and "*thin bits of timber connecting it*". From the photos this appears to be an accurate description.

The policy documents I've seen don't include a definition of what a building is. But a commonly accepted definition is that of a structure with a roof and walls, such as a house. I don't think the structure Mr S refers to as his veranda can reasonably be considered a 'building'. So, under the remaining terms it follows that the items he claimed for were fairly considered as 'contents in the garden'. As discussed, Mr S's policy provides no cover for such contents damaged by a storm. This means LV acted reasonably when declining the contents aspect of his claim for the reasons it gave.

I've thought about Mr S's concern that he was told his contents claim would be paid, only to later be told it was declined. I can understand that this was very disappointing for him and caused him frustration and some distress. He said he's spent a great deal of time on calls contacting LV. In addition, he obtained quotes for repairs and replacements that were never going to be covered. In these circumstances I think LV should pay Mr S compensation. But I think the payment it offered for £250 was fair. So, although I understand Mr S doesn't agree that this is enough to resolve his complaint, I won't ask LV to pay him more.

In his submissions to our service Mr S referred to the Insurance Code of Business Sourcebook (ICOBS). More specifically section 8.1. He said this sets out that if a full and final settlement has been agreed, LV can't then change its mind.

I've reviewed this section of the sourcebook. But I don't think it supports what Mr S said it does about LV paying his contents claim. LV made a mistake in not initially applying the policy exclusion it has since relied upon. But the terms are clear that there is no cover for Mr S's contents claim. So, there is no contractual agreement for this claim to be paid. The records show LV initially made a payment relating to the contents part of the claim. But once it realised its mistake this payment was then considered as a partial payment towards the buildings claim that was covered.

Having considered this carefully I don't think ICOBS requires LV to make a payment to Mr S for a content's claim his policy doesn't cover. I accept that LV's mistake caused him inconvenience, frustration, and distress. But for the reasons discussed here, I don't think LV needs to do more than to pay the compensation it offered. So, I can't fairly ask it to do any more.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S and Mr S to accept or reject my decision before 16 September 2025.

Mike Waldron
Ombudsman