

The complaint

Mr and Mrs T have complained that Liverpool Victoria Insurance Company Limited ('LV') declined their claim under their home insurance policy for a contribution towards matching tiles following an escape of water in their bathroom. For the avoidance of doubt, the term 'LV' includes reference to its agents and contractors for the purposes of this decision, and the term 'Mr and Mrs T' includes reference to submissions made on their behalf by their loss assessor.

What happened

Mr and Mrs T suffered an escape of water incident at their home at the end of December 2024 due to a broken waste pipe underneath the bath. Water came through the light fittings and down the walls into the room below. The waste pipe was repaired, and Mr and Mrs T reported the matter to LV who were their insurers at the relevant time and provided quotes to carry out the works with their own repairers. Unfortunately, bath tiles were damaged whilst the leak was being traced and accessed. Due to their original tiles no longer being available, Mr and Mrs T requested a contribution towards the replacement of all tiles in the bathroom as they were part of a matching set.

LV agreed that the tiles matched but didn't agree that they formed part of a matching set and so didn't agree to contribute towards the cost, and so Mr and Mrs T raised a complaint, however LV maintained its stance. In the circumstances, Mr and Mrs T referred their complaint to this service.

The service's investigator upheld the complaint and considered that the bath panel formed a core part of the decoration in the bathroom, and that the bath took up a significant space in the bathroom rather than being *'tucked away in the corner where it might be concealed from view should differing tiles be used than to the walls and floor'*. It was his view that LV should reconsider the settlement and contribute towards the cost of replacing the matching tiles in line with the terms and conditions of the policy, and also to pay £200 compensation for the distress and inconvenience caused.

LV didn't agree with the investigator's view and the matter has been referred to me to make a final decision in my role as Ombudsman.

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.

The key issue for me to determine is whether LV acted in a fair and reasonable manner when applying the relevant policy terms by declining to contribute towards matching bathroom tiles following the relevant item. I don't consider that it acted fairly and reasonably in all respects.

In reaching this decision, I've considered the submissions of the parties as summarised below. I turn firstly to Mr and Mrs T's submissions in support of their complaint. They

explained that to find and resolve the leak, the side and end of the bath were removed. These areas had been tiled to match the wall and floor tiles of the bathroom. Mr and Mrs T said that removal caused irreparable damage to the tiles, and unfortunately, they're no longer available. They said that LV had only agreed to replace the bath panel with non-matching tiles and originally only offered a much lower standard plastic bath panel.

Mr and Mrs T felt that LV's position that non-matching tiles could be a feature was a '*naive and misguided suggestion*' by LV and that its decision not to contribute towards the cost of replacement tiles was flawed as they were entitled to this under the policy which stated that it contributed 50% towards the cost of replacing any undamaged items which were part of the same set or suite, if a repair or replacement of the damaged item wasn't available. They felt that LV had therefore denied what they were entitled to under the terms of the policy. Mr and Mrs T felt that the tiled bath panels and the wall and floor tiles were not stand-alone items and were an integral part of the same bathroom suite and that they were the same tiles. They said that the tiles here were a core part of this bathroom design and didn't have an insignificant or minimal impact in the corner of a room or under a sink. They considered that the impact on the bathroom of not having the same tiles on the bath panels was significant and didn't put the bathroom back to its pre-loss condition and that the cost of replacing the wall and floor tiles was significant at around £12,000.

They referred to a case study from this service which they felt perfectly described the situation they faced, '*except the damaged tiles are in a visually more significant and prominent place within the bathroom.*' In the case study, the damaged tiles were under the sink area and made up no more than 10% of the total tiles, so the impact of the loss of match was seen to be modest and was fairly reflected in the offer. Mr and Mrs T also referred to the service's '*pragmatic approach*'. In addition, Mr and Mrs T felt that they'd have to move out whilst the work was done as they had no other washing or toilet facilities at home and were therefore also claiming for alternative accommodation during the work. Finally, Mr and Mrs T complained about the service provided by LV in relation to its handling of Mr and Mrs T's claim. They considered LV's suggestions for reinstating the bath to be '*highly inappropriate and insensitive*'. As to the impact of the delays in resolving this issue, Mr and Mrs T referred to a family member's health issue, and that they were worried about the impact of dust from the exposed area in the bathroom upon that person.

I now turn to LV's response to Mr and Mrs T's complaint. In summary, it didn't consider that it was required to contribute to the cost of replacing undamaged floor and wall tiles. It accepted that the bath panel was tiled and that these tiles were damaged as part of the process of tracing and accessing the water leak under the bath. It also appeared to accept that the tiles on the bath panel matched the same design and colour of the tiles on the bathroom floor and walls and that there was no damage to the tiles on the floor and walls.

LV stated that it didn't provide cover for undamaged items. although it said that it could consider a contribution of up to 50% towards the cost of replacing undamaged items in a matching set or suite. It then referred to the detailed terms and conditions of the policy in this respect. Following a lot of consideration of the matter, it decided that the bath panel wasn't part of the wall and floor and was a stand-alone item and therefore wasn't part of a matching set or suite. It made it clear that as the floor and wall tiles weren't damaged, LV considered that it would only be responsible for replacing the damaged tiles on the bath panel. It therefore declined to contribute to the cost of replacing the wall or floor tiles in the bathroom. Finally, LV offered to consider any further information from Mr and Mrs T that might change things.

In conclusion, LV considered that the bath panel wasn't part of the wall or floor, so wasn't part of the same set or suite. It said that it was also disproportionate to expect a 50% contribution to the floor and walls which were undamaged. It considered that a replacement

bath panel could be fitted of a different colour or style that wouldn't affect the aesthetic of the bathroom. It also considered that the bath panel didn't form a substantial part of the bathroom. It therefore argued that it wasn't part of the same set or suite in relation to the tiled walls or floor. If tiles had been placed on any other item in the bathroom, by Mr and Mrs T's argument, it would mean the floors and wall tiles needed replacing and that tiling over the bath panel was a choice and *'bath panels don't usually come like that'*.

I now turn to my reasons for upholding Mr and Mrs T's complaint. The starting point will be the terms and conditions of the relevant policy as these form the basis of the insurance contract between the customer and the insurer. In this case, it appears that LV has accepted that there has been a valid escape of water claim and it doesn't appear to dispute that tiles on the bath panel had been damaged during the trace and access exercise, nor indeed does it dispute that the tiles on the bath panel matched the floor and wall tiles in the bathroom.. The dispute is whether LV has any liability for contributing to the cost of matching items.

Here, the policy states; *'If you make a claim for damage to a bathroom suite or kitchen, but we can't repair or replace the damaged items as they are not available, we'll also make a contribution in cash of up to 50% towards the cost of replacing any undamaged items which are part of the same set or suite. We won't pay the cost of replacing or altering any other undamaged items solely because they form part of a set or suite, this includes groups or collections of items of the same design, nature or colour'*. I've also noted that in the definitions section of the policy document, reference is made to *'Buildings'* and that this includes *'bathroom suites, such as baths, basins, bidets, toilets and showers.'*

In this case, the question hinges upon whether the walls, floor and bath panel can all be reasonably said to form part of the same 'set' or 'suite'. As per the definitions section, I consider that a 'suite' specifically refers to items of bathroom furniture and not the overall bathroom design and so a contribution wouldn't be merited in this respect. The word 'set' is unfortunately not similarly referenced in the definitions section; however, it is likely that this is meant to refer to something other than a bathroom suite. I consider this to be a very finely balanced matter. In the absence of such a definition however, and having carefully considered the available photographic evidence, I conclude that the *'undamaged items'*, namely the flooring and wall tiles, could be regarded as being part of the same 'set' as the bath panel tiling and part of the overall bathroom design or set.

I do have sympathy with LV's position as, on the face of it, a pragmatic solution would have been to retain perfectly good floor and wall tiles and to simply replace the bath panel with a design which matched the remainder of the bathroom furniture and complemented the overall design. The loss of an exact match between bath and wall/floor tiling wouldn't be as fundamental as that between two areas of a wall. Nevertheless, the role of this service is to determine whether the insurer fairly and reasonably interpreted the wording of its policy terms and conditions. In the absence of a clear explanation of the word 'set' in this context, I can't say that it did so, and the policy does make it clear that the contribution of up to 50% towards the cost of replacing undamaged items applies where they form part of such a set.

In conclusion, LV should now act in line with the terms of the policy and contribute up to 50% towards the cost of re-tiling the bathroom given the tiles already used are no longer available. I also agree that, on balance, it should pay a modest amount of compensation for the distress and inconvenience caused by the delay in reaching this position.

My final decision

For the reasons given above, I uphold Mr and Mrs T's complaint, and I require Liverpool Victoria Insurance Company Limited to do the following in response to their complaint;

- Reconsider the settlement and contribute towards the cost of replacing the matching tiles in line with the terms and conditions of the policy.
- Pay £200 compensation for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs T to accept or reject my decision before 4 January 2026.

Claire Jones
Ombudsman