

The complaint

Mr and Mrs P complained that Liverpool Victoria Insurance Company Limited (“LV”) unfairly declined their claim for damage caused by rodents, under their home buildings insurance policy.

I’ll refer to Mr P for ease.

What happened

Mr P said he made a claim to LV for damage to his roof space caused by rodents. But it declined telling him this wasn’t covered under his standard buildings cover. He said LV told him this would be covered under its ‘additional accidental damage cover’. But Mr P hadn’t taken this cover when his policy renewed.

Mr P said it wasn’t clear what extras were provided by the additional cover. He said his understanding was this covered accidents caused by him, his family, or their pets. So, he never felt the need for it. Mr P said LV subsequently advised that his policy explicitly excluded rodent damage. But he said this wasn’t listed in the policy booklet he was provided with. Mr P wasn’t satisfied with LV’s decision and so he complained.

In its final complaint response LV said it only covers specified perils under standard accidental damage cover. It said this does not include vermin damage. The business also referred to its policy booklet. It said this showed that damage caused by vermin wasn’t covered.

Mr P didn’t think he’d been treated fairly and referred the matter to our service. Our investigator didn’t uphold his complaint. He said there was no cover under Mr P’s policy for vermin damage. Our investigator said LV made a mistake as there was no specific exclusion for rodent damage. This exclusion was added to a later version of its policy booklet. But he was satisfied that there was no insured cause covering Mr P’s loss.

Mr P didn’t agree with 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 Mr P’s complaint. I’m sorry to disappoint him but I’ll explain why I think my decision is fair.

It’s for the policyholder to show that they have suffered an insured loss, fire, flood etc. If they can then, generally speaking, the insurer should pay the claim. This is unless it can reasonably rely on a policy exclusion not to. I’ve focused on that here.

Mr P's claim is for damage caused by rodents in his roof space. I've read his policy schedule and his policy booklet to understand what insured cause this could reasonably fall under. But I can't see that there is any cover in place for this eventuality.

Mr P benefits from LV's standard accidental damage cover. This is the only insured cause that could reasonably apply here. But the policy terms are clear in specifying exactly what events and items are covered under accidental damage. This doesn't include damage caused by vermin.

LV said it would have covered Mr P for vermin damage had he chosen its 'additional' accidental damage cover. Mr P said he found the description of what additional accidental damage covers to be ambiguous. But this is essentially a moot point as he didn't select this cover.

Based on this information there is no cover under Mr P's policy for the loss he described.

I note what Mr P said about the 'impact' damage cover that could apply in these circumstances. The terms say:

"Impact - by animal, falling tree or branch, road vehicle, train, aircraft or other flying objects (including items dropped from them), television or falling aerials, satellite dishes and their fittings."

The damage Mr P described in his home was from rodents chewing in his roof space. I think the description of 'impact' damage is clear. The policy covers collisions with objects, or potentially an animal. This doesn't fit with the damage Mr P has claimed for.

LV referred to the wrong version of Mr P's policy booklet in its complaint response. No general exclusion for vermin was listed in the terms for the correct policy year. I can see that it has apologised for incorrectly referring to this exclusion in its complaint response. But as there is no insured cause for Mr P's loss, this doesn't affect the outcome here.

Having considered all of this this I don't think Mr P has shown that he's covered by an insured cause for the loss he claimed. So, I don't think LV treated him unfairly when it declined his claim. This means I can't reasonably ask it to do anymore.

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 P and Mr P to accept or reject my decision before 23 March 2026.

Mike Waldron
Ombudsman