

## The complaint

Ms L is complaining about the length of time it took Liverpool Victoria Insurance Company Limited (“LV”) to settle a claim she made on her buildings insurance policy.

## What happened

In February 2024 Ms L’s property experienced an escape of water from the waste pipe of her bath. This caused damage to the property’s kitchen and electrics. So she contacted LV – through her broker – to claim for the damage. She raised several complaints over the claim journey about the time the claim was taking. Over these complaints (with the final complaint response being March 2025) I understand LV paid Ms L £500 in compensation.

Ms L didn’t agree with the amount of compensation LV paid and set out it was aware from the start of the claim that she was a vulnerable consumer. So she referred her complaint to this Service and highlighted that her property still wasn’t fixed 13 months after making a claim.

Our Investigator thought LV had caused a lot of delays over the claim journey and she didn’t think £500 was fair compensation. And she recommended it increased the compensation to £800.

LV agreed with the Investigator’s opinion. But Ms L didn’t think it was enough. She said she was now out of work sick and bedbound due to mental and physical health issues from the ongoing claim and construction. She didn’t think £800 was fair considering 15 months had passed and the repairs were still ongoing.

I issued a provisional decision upholding this complaint and I said the following:

*“Having considered what’s happened, I’ve found LV’s handling of this claim to have been poor. I think there have been several delays and periods of inactivity caused by LV’s agents. I do not consider that this claim should have been particularly challenging and certainly should not have taken 15 months to resolve. Furthermore, LV and its agents were aware Ms L was classified as a vulnerable consumer. So I think it should have ensured the claim progressed as a priority. However, as I said, I have identified several instances where the claim didn’t progress. In particular, I noted the following:*

- *From the start LV’s loss adjuster – who I shall refer to as D – set out that the kitchen needed to be stripped out before. However, it took three months for it to do this. I recognise there was a period of time when it had to investigate whether there was asbestos. But this was resolved within a few days. I would have expected these strip out works to have started swiftly to ensure the rectification works were started as a priority.*
- *Once the property was dried, it took around a further four months for the schedule of works to be authorised.*
- *Once the scope of works were authorised, it seems that the repair works didn’t start for a few further months.*
- *It seems that D’s appointed contractor, initially didn’t think the kitchen needed replacing, but then several months later agreed it did need it. This added more months to the claim*

process.

*As a result of this, Ms L didn't have access to a kitchen for 10 months (by the time LV issued its latest final response letter and, so, within the scope of the claim that I can consider in this complaint). LV did subsequently agree to pay her disturbance allowance which it back dated to the date the kitchen was stripped out. I consider this to have been standard and fair industry practice to cover her increased financial costs due to not having access to a kitchen. But the fact remains she should not have had to experience this level of distress and inconvenience had D and its contractor acted with greater priority. And, as I said above, LV and D were aware Ms L was vulnerable from the very start.*

*Ms L has set out the significant impact this matter has had on her. There will always be a degree of distress and inconvenience from a claim of this nature. But, for the reasons I set out above, I think there were several steps LV could have undertaken to minimise this impact. And it's clear that this matter has had a significant impact on Ms L's physical and mental health.*

*LV has said it would pay Ms L £500 in compensation over the various complaints Ms L raised. But I don't think this is sufficient taking everything into consideration. The Investigator thought LV should pay Ms L £800, but I don't think this is sufficient either. I've considered our general compensation award guidelines and I think this falls within the bracket of a significant award – i.e. where a business's failings caused substantial distress, upset and worry. Our guidelines say we may award this where there may have been serious disruption to daily life over a sustained period, with the impact felt over many months, sometimes over a year. Clearly Ms L's situation falls within this bracket, so I intend to require LV to increase its compensation to £1,250."*

Neither party responded to my provisional decision.

### **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.

As neither party responded to my provisional decision, I see no reason to reach a different conclusion to the one I reached previously. So I uphold this complaint for the reasons I set out in my provisional decision.

### **My final decision**

For the reasons I've set out above, it's my final decision that I uphold this complaint. I require Liverpool Victoria Insurance Company Limited to increase its compensation award to £1,250.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 9 December 2025.

Guy Mitchell  
**Ombudsman**