

## **The complaint**

Mr and Mrs K are unhappy with the delays, poor communication, and standard of service they received from Liverpool Victoria Insurance Company Limited (“LV”) under their home insurance policy.

## **What happened**

Mr and Mrs K made a claim when escaping water caused considerable damage to their home. LV accepted the claim, and it appointed a loss adjuster to manage it.

Due to the nature of the damage, Mr and Mrs K and their family were moved into alternative accommodation (AA), allowing the loss adjuster to manage the claim and allow the trades to carry out the necessary repairs.

Unfortunately, Mr and Mrs K had to complain as they weren’t getting any direction or communication from the loss adjuster. LV responded by appointing a new loss adjuster to look after the claim on their behalf.

Mr and Mrs K have made a separate complaint to LV in relation to the settlement they received for the claim. Mr and Mrs K escalated this to our service, and it has been dealt with separately to this complaint. This considers the content from the final response letter issued by LV on 23 January 2025.

However, Mr and Mrs K have continued to be unhappy with how their claim has been managed, and they’ve raised several issues with the service they received.

Mr and Mrs K raised a further complaint for this. LV haven’t provided a final response letter outlining its summary of events or evaluation of what went wrong. However, LV did issue an 8-week letter to confirm the complaint could be escalated to our service, which Mr and Mrs K did. They’ve said LV’s actions have had a direct impact on their health.

Our investigator decided to uphold the complaint. He thought there was evidence of poor service, and he thought this had an impact on the health of Mr and Mrs K, so he awarded £700 compensation for the distress and inconvenience experienced. Mr and Mrs K disagreed, so the case has been referred to an ombudsman.

## **My provisional decision**

I made a provisional decision on this on 11 February 2026. I said:

LV accepted our investigator’s view. However as LV didn’t provide a final response in relation to the complaint, it’s difficult to understand its position on the points Mr and Mrs K raised.

I won’t be looking at the actual settlement that was agreed for the claim, as this was covered in the other complaint. I don’t have jurisdiction to look at this. However, I will look at what has happened since LV’s final response letter on 23 January 2025, up to LV’s 8-week letter on 22 April 2025 to see if £700 compensation is reasonable for the faults in service by LV. I will

also look at any service issues that have occurred during the whole claim, as these issues weren't considered in the other complaint that was reviewed by our service.

I think in any claim it's normal to expect a certain level of distress and inconvenience. The very nature of the incident and the time it takes to remedy the damage can cause upset and is likely to take-up time for the claimants. It's important to remember that this isn't the insurer's fault, so we shouldn't expect LV to take accountability for this.

On the other hand, LV are experts in managing claims – it does it daily. So, I'd expect LV to manage the claims process effectively, provide leadership and guide Mr and Mrs K through the process. The claim should be progressed at a reasonable pace and in a fair manner, in line with the terms and conditions of the policy. It's not unusual for difficulties to pop up on a claim, so it's important LV and its representatives communicate regularly and clearly with Mr and Mrs K.

Mr and Mrs K raised several issues with the service they received, including:

- Loss adjuster had to be changed as first one ineffective,
- Inadequate handover between loss adjusters caused issues with agreeing settlement e.g. on contents,
- Lack of information provided making it difficult to agree settlement e.g. no clarification of how £172 settlement for "fixtures" was derived when requested,
- Contractors have dropped sawdust blocking soakaway; not been cleared,
- Issues with reinstatement e.g. flooring issues which required discussion with the supplier, panelling in rear room poorly fitted,
- Damage to contents and delays to the settlement; some contents damaged when returned from storage,
- Snagging issues – some of which LV accepted, some which they didn't, some which they said they'd review,
- Poor project management, such as booking trades in before other issues are effectively resolved,
- Lack of updates by LV's representatives,
- Chasing by Mr and Mrs K for progression of the claim and to get the trades in,
- Delays in loss adjuster updating LV in relation to complaint points,
- Delays getting issues resolved,
- Poor communication between parties leaving confusion about the status of repairs.

It's not possible to investigate everyone of these points. The evidence simply isn't available in the complaint file. However, there is reference to a number of these points within the documents I've read for the claim, and it is possible to get a feel for what has happened.

I think it's important also to set the context. Mr and Mrs K made the claim in August 2023. They returned home in July 2024 having lived in AA for around six months, only to find issues with a lot of the repairs that had been completed on their home. Only in January 2025, had LV produced a list of rectification work but there were further delays as Mr and Mrs K found fault with the list.

Some repairs were completed by the time LV issued its 8-week holding letter in April 2025, but there was still outstanding dispute points between the parties. I can only look at the issues up to this date, so if Mr and Mrs K had further issues after this date, they would need to raise them separately with LV.

LV haven't provided any commentary on these service issues so I can only rely on what has been said by Mr and Mrs K, and what I've discovered in the claim file. However, I can see 18

months have passed since the claim was raised by Mr and Mrs K to the 8-week letter being issued by LV and still not all the work is complete. This clearly isn't acceptable.

I appreciate when there has been such significant damage after an escape of water, it can take time to dry the house and strip out the damaged interior. It's hard to know what a sensible timeframe would be for this repair, as LV have provided little commentary. I'd certainly hope a claim of this nature would be completed in 8-12 months. So, I can see there has been at least a six-month delay, possibly longer.

From reading the claim file, I can see the communication between the various LV representatives has been particularly poor. This is best demonstrated in LV's inability to issue a proper final response letter to this complaint as it couldn't get the information from its representatives.

Mr and Mrs K have explained the impact this has had on them. The inconvenience of chasing endlessly throughout their claim. Frustration at sub-standard work, continual disputes with contractors and little to no support from LV. I've explained my expectation of the role of LV should play, and I think it's clear that the service it has provided has fallen well short of this.

Mr and Mrs K have also provided medical evidence that shows the health impact their claim has had on them due its prolonged nature and ongoing issues. This isn't a short-term issue, but something that has gone on well over a year. The impact has been a daily one and it has impacted their whole family. Therefore, I intend to uphold this complaint. I intend that LV pay Mr and Mrs K £2,500 compensation for the distress and inconvenience caused.

I'd like to remind LV these issues have been going on a long-time and it hasn't provided any response to summarise its position on Mr and Mrs K's complaint. So, should it decide to dispute this award now after such as long time, I would require extremely persuasive evidence for me to review this position.

### **Responses to my provisional decision**

Mr and Mrs K accepted my provisional decision and they didn't have anything further to add.

*LV said "After reviewing this carefully we accept the provisional decision. We have identified several areas of service failings which have been fed back to our suppliers and claims team. We will ensure that we act on this feedback to ensure that these errors can be avoided in the future and we are very sorry that this has caused Mr and Mrs K such upset during an already very difficult time.*

*I do want to clarify that as we have raised £700 in compensation based on the investigator's original decision, should we be raising a further £2,500 in compensation (making the total £3,200) or should we be paying £1,800 (accounting for the compensation we have already paid)?"*

### **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.

Given neither party has provided any new information, I see no reason to change my provisional decision.

To clarify, the total compensation due is £2,500, so if £700 has already been paid, LV need to pay the balance of £1,800.

### **My final decision**

My final decision is that I uphold this complaint. I require Liverpool Victoria Insurance Company Limited pay Mr and Mrs K:

- £2,500 compensation – for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K and Mrs K to accept or reject my decision before 26 March 2026.

Pete Averill  
**Ombudsman**