

## **complaint**

S complains Liverpool Victoria Insurance Company Limited ("LV=") has added a title to their name.

## **background**

S has an insurance policy with LV= and has been a customer for a number of years.

For several years S's policy documents didn't include a title in their name because S had left the title field blank when they originally applied for the policy. Nor did letters LV= sent. However, LV= started referring to S as "Ms S" in letters and policy documents in 2018. S was unhappy with this and called LV= to ask what was going on. LV= said that it was unable to leave the title field blank, had to record a title as part of its identification process and that it didn't have the facility to remove titles. LV= also said that if S wasn't happy with this they could cancel their policy and wouldn't be charged a cancellation fee. S was very unhappy with LV='s initial response and so complained.

LV= investigated S's complaint but didn't uphold it. LV= said that it had a new system and couldn't leave the title field blank any more. LV= also said it was sorry for any upset caused. S complained to us.

One of our investigators looked into S's complaint. LV= told our investigator that it had "recently implemented a new policy management system and as part of a desire to simplify the quotation process for customers had reduced the number of titles they can select on application and renewal". LV= said that this was in line with many other insurers in the industry and hadn't been intended to cause offence. LV= also told our investigator that customers had the option of "male", "female" and "none" when selecting gender.

Our investigator said that LV= should have anticipated removing the option of selecting no title would cause problems for some customers and that businesses were moving away from requiring titles or gender. They recommended £200 in compensation. LV= disagreed with our investigator's recommendations and asked for a decision from an ombudsman.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

In 2018 LV= moved to a new system that means its customers have to choose from one of the following titles "Mr", "Mrs" "Ms", "Miss" or "Dr". That meant customers who had previously chosen to leave the title field blank – as S had done – could no longer do so. LV='s new system chose the title "Ms" for S without any input from S. LV='s new system meant its customers also had to choose from "male", "female" or "none" when selecting their gender.

S didn't explain to LV= why they don't use a title, but they did explain their reasons to me when I spoke to them. I've told LV= that I'm not going to share S's reasons for not using a title – they're very personal – but I'm satisfied S has found this whole experience distressing. LV= has accepted that the experience has been distressing for S, which I'm pleased to see, and understood why I didn't think it was appropriate to share S's reasons.

I've discussed this complaint in detail with both parties. I've also sent both parties a paper published by the Government Equalities Office in November 2015 about good practice when it comes to providing goods and services to people who are transgender. The paper doesn't just talk about transgender customers – it talks about people who are non-binary too. More importantly, it also talks about titles and gender. The paper, for example, says that making a customer choose a title – or a gender – that they don't identify with doesn't help businesses to get to know their customers. That's relevant because LV= told S when they initially complained that its new system asks for a title as part of its identification process. The paper suggests other better ways in which businesses can get to know their customers – for example, asking for their date of birth, their employer, their current address and how long they've lived there etc. So I asked LV= why it collects the information it does, not least because the Equality Act 2010 means that it's unlawful for an insurance company to price or rate a policy based on sex and information about sex is particularly sensitive meaning, amongst other things, that businesses need to have a reason to collect it under GDPR.

Following our involvement, LV= has told us that it's planning to launch a multi-product platform that will no longer require customers to select a gender and where the title field will be optional. LV= has also told us that it found the Government Equalities Office's paper very helpful and that it makes some really interesting points that were helping to shape the debate it's having internally and with others in the industry. S was pleased to hear that LV='s thinking has moved on when I let them know.

I agree with our investigator that LV= should have anticipated the changes it was going to introduce could have an impact on some of its customers. LV= should have thought about this in more detail before introducing the changes. Had it done so, I think LV= would have realised that some of the information it was collecting wasn't necessary for its own purposes, and not helpful when it comes to identifying customers.

LV= has told us that it doesn't price its policies on sex. There used to be an exemption to the Equality Act 2010 that allowed insurers to price based on sex but this was found to be unlawful and has since been removed. That means insurers who still price based on sex risk breaching the Equality Act 2010. So LV= is right not to price on that basis. LV= couldn't initially explain, given that it doesn't price based on sex, exactly why it continues to collect this information. The fact that its multi-product platform will no longer require gender and the title field will be optional suggests the information isn't necessary for LV= to offer insurance products. On reflection LV= was able to give examples of instances where this information is helpful, but as I've also already mentioned it's clear its thinking has moved on.

Our investigator recommended £200 in compensation for the distress LV= has caused S – given the change it made and the lack of empathy in LV='s initial response. I asked S to comment on that award. They suggested £350 would be more appropriate and explained how they'd reached that figure. LV= has since offered S £350. So that's the award I'm going to make as I feel that's a fair outcome to this complaint given all the other steps LV= has agreed to take and is taking. That response has, to LV='s credit, been a positive one.

### **my final decision**

My final decision is that the steps Liverpool Victoria Insurance Company Limited has taken and plans to take – including paying S £350 in compensation – are a fair outcome.

Under the rules of the Financial Ombudsman Service, I'm required to ask S to accept or reject my decision before 13 September 2019.

Nicolas Atkinson  
**ombudsman**