

The complaint

Mr D complains that Liverpool Victoria Insurance Company Limited (“LV”) unfairly declined a claim he made under his home insurance policy.

LV is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agents. As LV has accepted it is accountable for the actions of the agents, in my decision, any reference to LV includes the actions of the agents.

What happened

In late 2022, Mr D made an escape of water claim under his home insurance policy with LV after a burst pipe in his loft caused damage to his property.

LV appointed loss adjusters who visited Mr D’s property. LV declined Mr D’s claim, referring to a condition of the policy which required him to let it know if his home was unoccupied for more than 60 days in a row.

Mr D raised a complaint with LV, but it maintained its position. So, Mr D asked our service to consider the matter.

Our investigator didn’t think Mr D’s complaint should be upheld. He was satisfied that LV had acted fairly and in line with the policy’s terms and conditions in declining Mr D’s claim.

Mr D disagreed with our investigator’s outcome. He said he didn’t consider that LV had acted fairly because he was in regular attendance to the property to check for any issues, given his extenuating circumstances. He also made reference to legislation he felt was relevant to his complaint. So, the complaint 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’ve decided not to uphold Mr D’s complaint. I’ll explain why.

In declining Mr D’s claim LV has referred to a condition of the policy that required him to let it know if he left his home unoccupied for more than 60 days in a row.

The policy’s terms and conditions define “*unoccupied*” as “*not lived in by you or your family, for more than 60 days in a row, or doesn’t have enough furniture or services for normal living purposes.*”

By lived in we mean stayed in and slept overnight for at least 2 nights in a row each week.”

LV’s policy document states that cover is provided for “*water or oil leaking from any fixed tank, domestic appliance or pipe*”. But there is an exclusion for “*loss or damage after your*

home has been unoccupied for more than 60 days in a row (unless your personal details show we've agreed to this cover)."

The report from LV's loss adjuster says Mr D told them he hadn't been residing at the address for some time prior to the event, whilst he'd been refurbishing the address and had been living with his mother. He said he'd regularly been checking on his property.

Mr D has confirmed that the property was unoccupied, but he doesn't think it's fair for LV to decline his claim because he attended his property once or twice a week to collect his mail and do some small jobs as part of his property's refurbishment.

It's up to an insurer to decide what risk it's willing to cover and exclude. It's not unusual for an insurer to exclude or restrict cover for escape of water if a property is unoccupied as this is event is more likely to occur when a property isn't being lived in.

Mr D says the plumbers who attended his property after the incident told him the leak was caused by frozen pipes that had burst.

Following Mr D's claim, I can see that LV has placed an "*unoccupancy condition*" on his policy which says it will "*provide cover as long as*:"

- ✓ *All locks and alarms are kept in good working order and used at all times*
- ✓ *The water is turned off at the mains and the water system drained OR*
- ✓ *The central heating is used to maintain a constant minimum temperature of 10°C throughout the property and*
- ✓ *The pipes in the loft space are lagged"*

So, I don't think Mr D's visits to the property were sufficient to reduce the risk of his property being damaged by an escape of water whilst it was unoccupied. And I don't think it was unfair for LV to have declined Mr D's claim for the reasons it did.

I appreciate my answer will be disappointing for Mr D, but I'm satisfied LV has acted fairly and reasonably in line with the policy's terms and conditions. So, I don't require it to do anything further.

My final decision

For the reasons I've explained, I don't uphold Mr D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 28 September 2023.

Anne Muscroft
Ombudsman