



Value Assessment Information for Distributors 2025

LV= Home (IFAs)



**GENERAL INSURANCE
INTERMEDIARY**



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1. Purpose of this document

This document is intended to meet requirements under PROD 4.2 where we are required to make available to distributors all appropriate information on the insurance product, all appropriate information on the product approval process; and the identified target market of the product. This document is intended to be a guide for distributors and explains the basis of our value assessment as well as our conclusions.

Our August 2025 assessment has concluded that our LV= Home products including the charging and distribution structure are compatible with the needs, objectives and characteristics of the target market and provide fair value.

This document doesn't contain the full terms and conditions of our policy – we can share these documents if required.



2. Product Design Process

Our target market is broadly established through our New Product Approval Process which governs the design and implementation of our retail products. This process ensures that we meet the demands and needs of our target market.

Our product value assessment process takes into account our responsibilities under consumer duty ensuring that we have an ongoing process to ensure value, the needs of our customers are being met and we avoid foreseeable harm.

We work with trade bodies like the ABI to understand issues affecting property insurance and how we may refine our products to better meet evolving customer needs.

LV= Home insurance has been created to meet the common risks and material damage that can occur to buildings and contents of domestic dwellings while ensuring value to each customer through the ability to tailor the selection of cover for specific requirements.



3. Target Market

Characteristics of the target market

This product is designed for UK resident individuals who:

- Are aged 17 or over.
- Have no unspent (non-motoring) criminal convictions, or prosecutions pending.
- Live in their home either as a homeowner who needs to protect their property and/or its contents or as an occupier who needs to protect their contents.
- Live in a property that isn't listed or doesn't have a preservation order on it.
- Live in an individual, self-contained domestic property of standard construction.
- Require service and support provided by call centre staff (telephone, self-service or live chat)

Objectives, needs and interests of the target market.

This product:

- Provides cover in the UK (excluding the Channel Islands and Isle Man) for:

Buildings Cover - financial protection against damage to the structure of a home including its walls, windows, roof fixtures and fittings.

Contents Cover - financial protection against the cost of repairing or replacing the things in a home normally taken with you when you move out.

Buildings & Contents – financial protection against damage to the structure of a home including its walls, windows, roof fixtures and fittings as well as the cost of repairing or replacing the things in a home normally taken with you when you move out.



- Provide a choice of cover:

Home Gold – Covering properties for buildings cover up to £1,500,000 and/or contents cover from £80,000 to £150,000 with the option to add enhanced Accidental Damage cover, and Home Legal Expenses Cover. Home Emergency is included as standard.

Home Platinum - covering properties for buildings cover up to £1,500,000 and/or contents cover from £80,000 to £150,000 with enhanced Accidental Damage cover, Home Emergency and Home Legal Expenses Cover included as standard.

Customers for whom the product would not provide the intended value

- Customers who are non-permanent residents of the UK.
- Customers who have unspent criminal convictions.
- Customers with adverse claims experience
- Customers who use their property for business and want cover for stock, liability, employees, or manufacture, sale, repair, or restoration of goods.

- Customers looking for cover for breakdown of household appliances where a warranty policy might be more suitable.
- Customers looking to cover wear and tear.
- Customers whose homes are unoccupied for greater than 60 days in a row.
- Customers with buildings or contents that are already insured elsewhere.
- Customers wishing to cover property or contents exceeding policy limits.

The product is distributed via Independent Financial Advisers.



4. Value expectations from customers in the target market

- A product that is competitively priced.
- A product rich in features and benefits that meet their demands and needs.
- A firm that is easy to do business with when buying, amending, renewing or claiming.
- A firm that provides clear documentation.
- A firm that provides knowledgeable and helpful staff with high CSI ranking.
- A firm that provides a fair and efficient claim service.
- A firm that has awareness of vulnerability at all touchpoints and is able to make reasonable adjustments to accommodate.



5. Fair Value Assessment Process

Our Fair Value Assessment process examines and considers the following:

- Customer journey.
- Policy wording and key terms and conditions.
- Benefits and limits.
- Excesses and charges.
- Complaints.
- The needs of vulnerable customers.
- Key value metrics e.g. claims frequency, claims acceptance rates, cancellations etc.
- The consumer duty principles to avoid foreseeable harm.
- How the intended value of the product may be affected by its distribution.



6. Conclusion

Our August 2025 assessment has concluded that our LV= Home products, including their charging and distribution structure, are compatible with the needs, objectives and characteristics of the target market and provide fair value.

We continually monitor all of our products using market insight and customer feedback, but we do not believe any changes are necessary at this time.

We've considered the commission paid to IFAs as well as the distribution model and we do not believe it has an impact on fair value to the customer.

We do not believe there are any circumstances which might cause a conflict of interest to the detriment of customers.

If you have any concerns about an LV= product not delivering its intended value, including in relation to potential adverse customer or product value impacts from the distribution arrangement, please contact your account manager.

