

The complaint

Mr M says Liverpool Victoria Insurance Company Limited ('LV') and its agent caused excessive delay in repairing his vehicle after he made a claim on his motor insurance policy.

What happened

Mr M's car was damaged in an accident in January 2023. He decided not to have it repaired by one of LV's approved garages. In June 2023 he told us there had been a huge delay with the repairs, caused by LV's agent ('firm A'). He said it had delayed its inspection of the car for eight weeks, then waited a further eight weeks before authorising his garage to carry out the work needed. He also said firm A had given his garage incorrect or incomplete details about where to send its invoice and that authorisation for extra repairs later on was also delayed. Subsequently, Mr M said the payment for all the work done by the garage was delayed. He said LV hadn't replied to his complaints, and that as he's disabled, the impact on him of being without a car was significant and had affected his health.

LV said it had first replied to a complaint from Mr M in March 2023. It provided a copy of its response letter, in which it said that the delay in authorising repairs was due to Mr M's garage only sending a partial estimate to firm A initially. Once the full estimate was received by firm A, full authorisation was given for the repairs on 14 March 2023 (around eight weeks after Mr M first reported the accident). LV didn't accept fault, but it recognised that the situation had been stressful and inconvenient for Mr M, so it offered him £100.

LV said it heard nothing more from Mr M after March 2023 until 15 June 2023, when he told it his garage didn't know where to send its invoice. LV provided a copy of firm A's authorisation to the garage in March 2023 which set out the relevant address. On 10 August 2023, in its reply to Mr M's second complaint, LV referred to that issue. It also said both supplementary invoices from Mr M's garage (in June 2023 and July 2023) were authorised within a few days. So it didn't agree it had provided poor service after March 2023.

After Mr M complained to us, one of our investigators reviewed all the available information. He noted that firm A had assessed the car promptly (on 31 January 2023) and he thought it gave clear instructions to Mr M's garage. He said LV had chased the garage many times. In his opinion, firm A / LV dealt with the garage's estimates promptly, and delays were due to it not following instructions. Mr M said it was unfair to blame the garage and that LV had given us incorrect dates (but he didn't provide any other ones). Later, Mr M said LV had delayed paying the garage's invoice in August 2023, so he still didn't have the car back on 1 September 2023. The investigator said that wasn't part of his initial complaint to us. As there was no agreement, Mr M's complaint was processed for a review by an ombudsman. But before that process was complete, Mr M told us in October 2023 that LV had offered him a further £300 compensation for distress and inconvenience. It told him the offer was to make up for a delay in authorising and paying for the repairs, a delay in authorising the supplementary estimates, and for putting the wrong information on the garage's invoice. Mr M didn't accept the offer, as he said it didn't cover his expenses and inconvenience whilst without a car for so many months. He also said he'd been hospitalised three times with angina due to the stress he'd faced as a result of LV's actions.

Around that time, LV told us directly that it had offered Mr M more compensation. We asked for clarification. LV said it had hoped the sum on offer would resolve Mr M's complaint. It referred to the responses it had sent in reply to his complaints. In LV's opinion, Mr M's garage was to blame for the delays, but it said it wanted to give the garage the benefit of the doubt, as independent garages aren't familiar with its processes. LV also said it hoped the offer would avoid the need for the case to be reviewed by an ombudsman.

I issued a provisional decision as follows:

I haven't seen evidence that shows either LV or firm A were responsible for the extensive period for which Mr M was without a car. The damage to it was assessed by firm A shortly after the accident, but the repairs couldn't be authorised until Mr M's garage provided a full estimate. I think there was a short delay after the garage sent the full estimate to LV in late February 2023, as authorisation for the work wasn't given until mid-March 2023. But LV paid Mr M £100 compensation following his complaint about the delay up to this point (even though it didn't think it was at fault). I think that was fair and reasonable.

For the next three months Mr M's car was with his garage being repaired, and there's no suggestion that LV or firm A caused any delay during that period. Mr M only contacted LV again in mid-June 2023, to query where the garage should send the repair bill. That caused a small delay, but I don't think LV or firm A was at fault for it, as LV has shown that the information the garage needed had been sent to it in March 2023.

A further delay ensued after Mr M's garage noted in June 2023 that extra repair work would need to be done, as further authorisation had to be sought. Mr M holds firm A responsible for that delay, as he says it should have noted all the damage during its initial inspection in January 2023. But it isn't unusual for more damage to be found once repair work is started. Mr M's garage had been working on the car for many weeks before it noted the further damage. It can't have been apparent earlier, otherwise the garage would have reported it at the time. I don't think there was any undue delay in authorising the extra repairs, as both sets of further work were signed off by firm A within a few days.

Based on what I've seen, I don't think it would be fair and reasonable for me to require LV to pay Mr M more compensation. I appreciate that Mr M was without a car from January 2023 to September 2023. Had he used one of LV's approved repairers, it would have been responsible for ensuring he had transport for the duration of the repairs. But he decided to use his own garage, and it didn't provide a courtesy car. I can see how difficult that must have been for Mr M, especially given his disability. He thinks his angina attacks were linked to the lack of transport. I'm very sorry that Mr M's health suffered so much in 2023, but I don't think LV is responsible for it.

Mr M told us on 1 September 2023 that the repairs were complete. He said he'd signed a letter of satisfaction for his garage a week earlier, but he still didn't have the car, as the invoice hadn't been paid. The investigator told Mr M that we could only deal with issues that were covered up to the point when LV had issued its response to his second complaint (August 2023). Subsequently, LV agreed that we could consider the late payment issue as part of this complaint. LV's notes show the reason for the delay in payment was that the invoice the garage submitted lacked its bank details, so they had to be added. The amended invoice was received from the garage on 22 August 2023, it was paid two days later, and it cleared on 31 August 2023. So I don't think the evidence shows that LV caused a delay.

Out of the blue, LV contacted Mr M twice in October 2023 to say it wanted to pay him further compensation. It said the extra £300 was to compensate him for the delay in authorising the

supplementary repairs to his car, the delay in paying his garage after the repairs were completed, and for putting the wrong information on the garage's invoice. LV then issued a further final response letter to Mr M on 20 October 2023, in which it said it couldn't see that it had caused any problems in terms of delay, despite offering him the £300.

LV told us on 23 October 2023 that it had made a new offer of compensation after noting a third complaint made by Mr M about the issues we'd been reviewing. We asked LV for specific details of any delays on its part that it had identified. Previously it hadn't agreed that it (or firm A) had caused any delays – and the evidence seemed to support its previous stance. In response, LV said the offer was made to resolve Mr M's complaint, not as an acceptance of blame for any shortcomings on its part.

I think it's clear why Mr M thought the offer of extra compensation showed that LV had accepted it was at fault. And LV told him that was the case in two emails. But in my opinion, the content of the emails doesn't square with the rest of the evidence. LV hasn't clarified the discrepancy between what Mr M was told and the account provided to us around the same time to explain the new offer. Although there's confusion around this issue, in my opinion, the content of the emails in itself isn't evidence that LV did anything wrong.

It seems the new offer was based largely on the fact that, having reviewed the file and the three complaints Mr M had made, LV realised he'd faced a challenging period from January 2023 to September 2023. It noted that the garage wasn't familiar with its processes and that Mr M had been inconvenienced by acting as a 'go between' (although that situation was brought about by Mr M not using an approved garage). So I think the extra payment amounted to a gesture of goodwill - and LV also hoped Mr M would accept it so that a decision by an ombudsman wouldn't be needed.

Based on what I've seen, I think LV's initial offer of £100 was reasonable. I don't think it was unreasonable for it not to offer Mr M more compensation initially based on his second complaint. And in my opinion, the late payment for the repairs wasn't due to LV. But an insurer is entitled to make any offer it likes in order to try to settle a complaint, and it's for Mr M to decide whether to accept LV's offer.

Given everything I've reviewed so far, and despite my great sympathy for Mr M, given his difficult experience in 2023, at the moment I'm not persuaded that I should require LV to pay him more compensation. So I'm minded not to uphold his complaint.

I asked the parties to comment on my provisional findings. LV asked for an extension to respond to the request, but eventually it said it had nothing to add. Mr M made numerous comments. Although I don't think it's necessary or helpful to address every point he made, I'll summarise below what I think are the major issues he raised.

Misleading information from LV

The main concern raised by Mr M was that we'd been misled by LV and that the provisional decision was based on inaccurate information and assumptions. He wasn't specific about what much of the inaccurate information was, and he said he was still waiting for LV to send documents to him under data protection legislation. He also said he'd contacted his garage and asked it for copies of its paperwork. It seems that hasn't been forthcoming to date, as Mr M hasn't sent any information from the garage to us.

Choice of garage

Mr M said LV has blamed his garage for everything, although it has a good reputation and is a manufacturer-approved repair centre that he'd used previously and was happy with. He

said he objected strongly to a paragraph in the provisional decision that said had he used one of LV's approved garages, LV would have been responsible for providing transport to him for the duration of the repairs. He said that comment was biased and unsupported by facts. Mr M said using LV's repairer would have meant accepting 'aftermarket' parts. He referred to a manufacturer-approved garage LV could have used, but said it wasn't an option, as he'd been involved in a dispute with it. And Mr M reiterated that firm A had caused much of the delay with the repairs, as its engineer hadn't examined the car fully when he visited Mr M's garage before approving the initial estimate.

Compensation

Mr M said LV had never offered him more than £300 compensation, nor had it ever contacted him after he contacted us. He repeated that the sum on offer was insufficient to cover his transport expenses, plus his loss of earnings per hour whilst calling LV in relation to the claim. And Mr M said both we and LV had made an erroneous assumption that carrying heavy shopping – as he'd done in the summer of 2023 – doesn't aggravate or cause angina. He provided a booklet with details of the condition in support of his case.

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.

Mr M hasn't provided anything to persuade me that I should change the findings and the provisional conclusion I reached in my previous decision. That decision was based on the available evidence - the documents provided by the parties, plus the content of LV's business file, including the file notes made throughout the claims process by its advisors. In the absence of direct evidence on a particular issue, we decide what's most likely to have happened, taking into account all the surrounding facts.

I think LV has shown that the delay at the start of the repairs was caused largely by Mr M's garage not providing a full estimate, as requested. After that error was corrected, the garage took three months to do the initial work. No-one has suggested the garage didn't progress the repairs efficiently, but it was only *after* that point when the garage told LV that further repairs were necessary. I don't think LV or firm A is responsible for the delay that then ensued. Had the garage reported the extra damage earlier, it could have been approved and completed earlier – but I appreciate that may not have been possible.

In my opinion, it was for Mr M's garage to carry out a full examination of the car at the start, and I assume it did. So even if firm A's engineer didn't agree to do so as well, all the visible damage should have been noted. There's nothing to suggest that firm A / LV wouldn't have agreed to more extensive repairs had they been notified of them at the start, or earlier in the repair process. I think the problem is that some damage isn't apparent until later in the repair process, and it looks like that happened here. Mr M thinks the garage is competent (and LV hasn't suggested otherwise, in terms of the work it did). So there's no reason to think that if the extra work could have been identified earlier, the garage wouldn't have found it. In terms of transport, it was Mr M's decision to use his own garage, and consumers who do that don't usually get a courtesy car from their insurer, but from their own garage. Unfortunately, Mr M's garage didn't provide one. I don't underestimate the inconvenience caused to him by his lack of transport, but I don't think he can show that LV was responsible for it. Matters were made worse by the protracted time taken to finalise the repairs. Undoubtedly, some of that was due to the extent of the initial work and then the extra work. But there's evidence that the garage didn't follow instructions in sending its invoice and its bill to LV / firm A in the way it had been advised to do, which caused further delay.

I think Mr M is mistaken in saying that we and LV made assumptions about his health. As far as I can see, LV hasn't commented on it, and we haven't either - except to refer to what Mr M told us about it. Mr M said his GP wouldn't agree to provide a letter in support of his belief that the stress of the situation in 2023 led to angina attacks. The GP said Mr M should have avoided activities that affected his pre-existing condition. The booklet Mr M provided refers to avoiding strenuous activity. As I've already said, I'm very sorry that Mr M's health was so poor in 2023. But it would only be relevant to this complaint if I thought there was evidence that LV was responsible for the very unfortunate situation he found himself in at the time.

The correspondence on the file shows that LV raised its compensation offer of £50 to £100 in March 2023, and it said in its final response letter that the money would be transferred directly into Mr M's bank account. So in total, it has offered him £400. I can't see anything on the file to show that he told LV he hadn't received the initial £100. But if he thinks that's the case, he should let LV know, so it can check its records and if necessary put the matter right. And although Mr M says LV never contacted him after he complained to us (in June 2023) the evidence shows that it did. In particular, Mr M forwarded emails to us sent to him by LV in October 2023 offering him the further £300 compensation. So I think it continued to try to resolve his complaint well after he contacted us.

I appreciate that Mr M faced very challenging circumstances over a number of months in 2023, and as I've already said, I sympathise with him. But I can only base my decision on the available evidence. In my opinion, Mr M hasn't shown that LV acted unreasonably. So I can't uphold his complaint.

My final decision

My final decision is that I don't uphold this complaint. Under the Financial Ombudsman Service's rules, I must ask Mr M to accept or reject my decision before 12 August 2024.

Susan Ewins
Ombudsman