

The complaint

Mr S complains with the length of time it took Liverpool Victoria Insurance Company Limited (LV) to repair his vehicle and the quality of the repairs carried out after he submitted a claim under his motor insurance policy.

What happened

The details of this complaint will be well known to both parties and so I've summarised events. In February 2024 Mr S was unfortunately involved in an accident and so submitted a claim to LV under his motor insurance policy. LV arranged for Mr S's vehicle to be repaired at one of its recommended repairers. At the beginning of April 2024 Mr S raised a complaint with LV. He said he was unhappy the repairer couldn't tell him when the repairs to his vehicle would be complete. LV arranged a hire vehicle for Mr S whilst his repairs were being carried out and on 29 April 2024 it issued a final response to Mr S's complaint. It said the repairer had been unable to source parts and had been unsuccessful trying to source the parts from other avenues. It said it should have kept Mr S better informed about his claim and so paid £100 compensation in addition to the hire vehicle it had arranged for Mr S.

Mr S's vehicle was due to be returned at the beginning of July 2024 but Mr S raised a number of issues with the repair and so a further complaint was logged. The repairer agreed to put right the issues and Mr S's vehicle was returned on 21 August 2024. On 29 August 2024 LV issued a final response to Mr S's complaint. It said it agreed the repairs to Mr S's vehicle were not of the standard they should have been and paid £150 compensation. Mr S didn't think this was reasonable and so referred his complaints to this Service.

Our investigator looked into things. He said he thought the distress and inconvenience Mr S was caused was beyond that expected during a claim. He said he thought £450 compensation was more reasonable to acknowledge the length of time repairs took and the distress and inconvenience caused to Mr S.

LV disagreed with our investigator's view. It didn't think it was reasonable for it to pay further compensation as it had done everything it could to speed up repairs and had provided Mr S with a hire vehicle. It said it acknowledged there were failings but it had awarded compensation to reflect this.

I issued a provisional decision not upholding this complaint and I said:

'I want to acknowledge I've summarised Mr S's complaint in less detail than he's presented it. I've not commented on every point he has raised. Instead I've focussed on what I consider to be the key points I need to think about. I mean no discourtesy by this, but it simply reflects the informal nature of this Service.'

The relevant rules and industry guidance explain that LV should handle claims promptly and fairly. LV have acknowledged it didn't keep Mr S appropriately updated about the repairs to his vehicle, and the repairs weren't of the standard they should have been. They provided Mr S with a hire vehicle and paid a total of £250 compensation. And so, I've considered whether this is reasonable to acknowledge

the impact Mr S was caused by LV's errors.

The initial repair to Mr S's vehicle did take a number of months. This was due to parts being on back order which was outside of the control of LV. However, once it became clear parts were unavailable, and repairs were going to take some time, I would expect LV to take steps to support Mr S and try and obtain the parts by other means.

In April 2024, following discussions with Mr S, LV arranged a hire vehicle for Mr S whilst the repairs were being carried out on his vehicle. Although a hire car wasn't included as part of Mr S's policy, I think it was reasonable for LV to arrange this given there was no estimated time of arrival for the outstanding parts. I can also see LV's engineers and the repairer made reasonable attempts to progress repairs such as exploring whether green parts were available and contacting specialist repairers.

So whilst I acknowledge the repairs to Mr S's vehicle took longer than expected, I can't say this was due to an error by LV. I'm satisfied it took reasonable steps to try and speed up repairs, and supported Mr S by providing him with a hire vehicle whilst his vehicle was being repaired.

It's been accepted by LV that the repairs on Mr S's vehicle weren't of the standard they should have been. Therefore it was necessary for this to be rectified. This delayed the return of Mr S's vehicle for around a month and a half. Whilst LV provided Mr S with a hire vehicle during this period, it would have been inconvenient for Mr S to be without his vehicle for longer than he should have done. So I think it's right Mr S is compensated for the distress and inconvenience the poor repair caused him.

LV have also acknowledged it should have communicated better with Mr S whilst his vehicle was being repaired. It would have been distressing for Mr S to not know what was happening with his vehicle repairs, or know when he was likely to receive his vehicle back.

Taking into consideration the errors I hold LV responsible for, I think the total compensation of £250, plus the hire vehicle it arranged for Mr S is reasonable to acknowledge the distress and inconvenience he was caused. As explained I think the majority of the time Mr S was without his vehicle was outside of LV's control. LV provided Mr S with a hire vehicle whilst the repairs were put right which meant he was kept mobile during this period, and so I think this, alongside the £250 compensation is in line with what I would have expected LV to offer in the circumstances.

Mr S has said he was still having to pay the finance on his vehicle, as well as insurance premiums and tax whilst he was without his vehicle. The finance on his vehicle is a cost Mr S would have always had to incur, and he was provided a replacement vehicle by LV whilst the rectification work was being carried out. I acknowledge the replacement vehicle wasn't of the same specification as his own vehicle he was paying finance on, but I'm satisfied the impact of this has been taken into consideration with the compensation LV have paid. Mr S still had benefit of his insurance policy whilst without his vehicle, and he had the option to register his vehicle as off road if he was concerned about the tax he was paying. So I don't require LV to reimburse Mr S any of these costs.'

Neither party responded to my provisional decision.

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.

As neither party has given me anything further to think about, I see no reason to reach a different outcome to the one I reached before. So I don't uphold this complaint for the reasons I set out in my provisional decision.

My final decision

For the reasons I've outlined above, I don't uphold Mr S's complaint about Liverpool Victoria Insurance Company Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 28 March 2025.

Andrew Clarke
Ombudsman