

The complaint

Mr R complains about the delays Liverpool Victoria Insurance Company Limited (LV) caused in making repairs after he made a claim on his commercial motor insurance policy. He wants compensation for his consequent van hire charges.

What happened

Mr R's van was taken for repairs following an accident. There were initial delays due to an oversight and then a holiday period. The van was then repaired but further damage came to light and further repairs were required. Mr R was unhappy because the repairs took too long, and he had to hire a replacement van for some of this time. LV agreed that it had caused an initial 8 days' delay in recovering the van to the repairer, and it reimbursed Mr R's hire costs for this period. But Mr R was unhappy with this and that it hadn't compensated him for his trouble and upset during this time.

Our Investigator first thought the complaint should be upheld in full. He thought the van should have been repaired the first time around. And he thought LV should also pay for the hire charges incurred when the van was returned for further repairs. He also thought LV should pay Mr R £150 compensation for his trouble and upset.

But LV then provided evidence that the further repairs weren't accident-related. So the Investigator didn't think LV was responsible for the hire charges during this period. And he thought LV needed to pay Mr R £100 compensation. LV agreed to do this. But Mr R replied that he thought LV was responsible for more of the initial delays and his consequent losses.

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 our Investigator has already explained, our approach is that LV is only responsible for avoidable delays it caused in making repairs that were related to the accident. So I've looked at what occurred.

When the accident was first reported, I can see that LV thought the broker was responsible for initial delays. I understand that Mr R is raising this with his broker. I can't comment on that here as it is a separate business.

But LV has agreed that due to an oversight, there was an eight days' delay in getting the van to the repairers for an assessment. I've looked at the timeline and I agree that LV is responsible for the delay from the date it was made aware of the claim until the van was recovered to the repairer.

An assessment was made, and parts ordered promptly. The holiday period then followed and there were delays due to this affecting the availability of parts. But I can't reasonably hold LV responsible for this.

Mr R was provided with a replacement van for the first 28 days of his claim, and then he hired a replacement for 20 days until his van was repaired. But I can only see that LV was

responsible for eight days' delay and I think it's reimbursement for this time was fair and reasonable.

Two weeks after the van was returned, Mr R found that it was over-heating and further repairs were required. But the evidence provided by LV from the repairer says that these repairs weren't rectification work following the initial repairs and weren't related to the accident. It said they were covered by warranty or at Mr R's own cost. It said if it had thought they were accident-related, it would have invoiced LV.

We're not engineers. We don't assess whether or how damage to a vehicle would be caused as this is a matter for the experts in these situations, the insurance companies and engineers. Our role in these complaints is to determine whether an insurance company has considered all the available evidence and whether it can justify its decision to not pay for additional repairs.

I can't see that Mr R has invoiced LV for the further repairs or provided any evidence to show that they were due to the accident or the initial repairs. So I think LV has justified its decision not to pay for them. And as it's not responsible for these further repairs, I'm satisfied that LV isn't responsible for any related replacement van hire costs.

Mr R has explained the trouble and upset caused by having to source a van initially. LV agreed to pay him £100 compensation for this. I think that's fair and reasonable as it's in keeping with our published guidance.

Putting things right

I require Liverpool Victoria Insurance Company Limited to pay Mr R £100 compensation for the distress and inconvenience caused by its delay in handling his claim, as it's already agreed to do.

My final decision

For the reasons given above, my final decision is that I uphold this complaint. I require Liverpool Victoria Insurance Company Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 15 March 2022.

Phillip Berechree
Ombudsman