

## **The complaint**

Mr W has complained about Liverpool Victoria Insurance Company Limited's (LV's) handling of a claim he made under his specialist motor insurance policy.

## **What happened**

The details of this complaint are well known to both parties, so I will not repeat them again in full detail here. But to briefly summarise Mr W is unhappy that LV's approved repairer had incorrect information about the policy limit and excess for his windscreen cover.

Mr W is also unhappy with the amount LV is being charged by the approved repairer. He says this is significantly more than he could obtain a private repair for.

And additionally, Mr W is unhappy with poor service and communication from LV and its agents.

LV accepts there was an administrative error which resulted in its repairer having incorrect information about the excess and limit. It has apologised, agreed to waive the policy excess and to absorb the remaining costs so that Mr W doesn't need to contribute anything toward the cost of repair. And it has offered to pay a further £50 compensation for the impact of the errors.

LV has also offered Mr W the details of two additional approved repairers Mr W can use if he remains unhappy to deal with the first approved repairer.

Our investigator considered this complaint. She agreed that the service Mr W received hadn't been good enough. She explained that she wouldn't expect LV to share a breakdown of the costs from the approved repairer as the rates between them would be commercially sensitive. Overall, she thought by agreeing to cover the full cost of the claim, offering the option of alternative repairers, waiving the excess and paying £50 compensation that LV had done enough to put things right.

Mr W didn't accept our investigator's opinion. So as no agreement has been reached, 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.

While Mr W has raised several concerns and questions throughout the complaint, I won't necessarily be providing a specific answer to each and every point. Instead, I'll focus on the points I believe are key to delivering a fair and reasonable answer to the issues at the heart of the complaint. This isn't meant as a discourtesy to Mr W, rather it reflects the informal nature of our service and my role within it.

Having carefully considered the evidence and arguments provided, I agree with the conclusions reached by our investigator. I'll explain why.

It isn't in dispute that things have gone wrong in this case. LV accepts that its approved repairer had incorrect information about the limit and excess which resulted in Mr W being asked for a significant contribution toward the repair – in error.

Mr W was keen to understand how the error happened and what was being done to ensure it didn't happen to others. While this isn't all, necessarily, information I would expect LV to share, LV has explained that the issue was caused by an administrative error on its part. It agreed that all policies through Mr W's broker could increase the windscreen limit to £1,000 but this wasn't updated correctly on its matrix. LV has said it is looking into the mechanisms between it and Mr W's broker in regard to how the information is uploaded onto their databases. In the meantime, LV said it would confirm the correct details of Mr W's cover to the approved repairer of his choice.

It also isn't in dispute that the communication and customer service from the approved repairer hasn't always been of the highest standard. The approved repairer has apologised directly for this, in addition to LV. The approved repairer also explained that feedback was being given internally regarding the communication issues.

To resolve the complaint, LV has offered to waive the excess and ensure that Mr W isn't asked for any contribution to the windscreen repair. It has also offered £50 compensation.

In providing an explanation, apologising and offering alternative suppliers to carry out the repair, I consider that LV has done enough to resolve the error it made. So, all that remains is to consider the impact the error had on Mr W, and whether LV has also done enough to put that right.

Mr W's correct excess is £90 and correct limit is £1,000. The approved supplier said the cost of repairing/replacing the windscreen was around £1,200. That means if everything had gone as it should have done, Mr W would still have been asked for a contribution toward the repair costs, in addition to paying the excess. But LV has offered to waive the excess and absorb any additional cost so that Mr W isn't required to make any payment toward the claim. This is more than it is required to do under the terms of the policy. In addition, it has offered a further £50 compensation.

I appreciate Mr W disagrees with the amount being quoted by the approved repairer. But as our investigator explained, the rates between the repairer and LV are commercially sensitive, so we wouldn't expect LV to share a breakdown. I am, however, satisfied that the amount quoted is what the approved repairer would have charged.

Taking everything that happened into account, including those communication issues and delays which can be solely attributed to LV or its agents, I think LV's offer is sufficient to fairly compensate Mr W for the impact of its, and its agents', errors. So, I won't be directing LV to increase its offer to Mr W.

As I understand it, Mr W has been awaiting the outcome of his complaint from our service before going ahead with the repair. If this remains the case, Mr W should contact LV to let it know which approved repairer he wants to use. Alternatively, Mr W can use any repairer of his choice, but in that case the most LV would contribute toward the cost would be £100 – in line with the policy terms and conditions.

### **My final decision**

Liverpool Victoria Insurance Company Limited has already made an offer to waive the excess and absorb any repair costs above the £1,000 policy limit. It has also offered an additional £50 compensation to settle the complaint. I think this offer is fair in all the circumstances.

So, my decision is that Liverpool Victoria Insurance Company Limited should pay Mr W £50, if it hasn't already, and that it should settle Mr W's claim in line with its offer – should Mr W decide to proceed with a repair from one of its approved repairers.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 30 August 2022.

Adam Golding  
**Ombudsman**