

## **The complaint**

Ms S complains that Liverpool Victoria Insurance Company Limited (LV) caused delays in a claim on her motor insurance policy. She wants her policy excess refunded.

## **What happened**

Ms S was involved in a collision with a lorry that didn't stop at the scene and so Ms S didn't get its details. Another driver told Ms S that he had caught the incident on dashcam. Ms S made a claim to LV and gave it the witness' details. LV asked the witness for the dashcam footage the following day, but he didn't respond. Ms S's car was repaired.

Five months after the incident, Ms S contacted LV as she hadn't had any updates on the claim. LV then contacted the witness again and he sent in the dashcam footage the following day. This didn't show the lorry's registration number, but it did identify the company. So LV asked the lorry's owner for further details, but this wasn't provided. LV paid Ms S £100 compensation for the delays and said it would keep her updated.

The other insurer then asked LV to prove its lorry had been involved in the incident. LV sent some information, but the insurer wanted a copy of the dashcam footage. LV sent this a month later after Ms S complained again.

Our Investigator recommended that the complaint should be upheld. He thought LV hadn't reasonably progressed the claim except when prompted by Ms S. And he thought LV hadn't reasonably updated Ms S. And so he thought LV should pay Ms S £150 further compensation for the impact caused by its delays. But he didn't think that LV should refund Ms S's policy excess and he didn't think the open claim had affected her premium at renewal.

LV replied that Ms S had contacted it only three times to chase up the claim. It thought its £100 offer as a gesture of goodwill was fair. LV asked for an Ombudsman's review, so the complaint has come to me for a final 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.

Ms S was unhappy that LV hadn't actively progressed her claim. So she made a complaint. LV agreed that it hadn't progressed Ms S's claim as it should have done for five months until she contacted it for an update. It said it would then keep Ms S updated and it paid her £100 compensation.

I agree with the Investigator that this wasn't sufficient in the circumstances. When a business makes a mistake, as LV accepts it has done here, we expect it to restore the consumer's position, as far as it's able to do so. And we also consider the impact the error had on the consumer.

LV repaired Ms S's car and it asked for the dashcam footage, but this wasn't provided. I can see that when Ms S prompted it, it again contacted her witness who immediately provided

the requested dashcam footage. So I think if he had been prompted earlier, he would then have provided this and so LV could then have avoided five months delay in the claim.

And when LV had identified the lorry's insurer, it didn't send the dashcam footage that identified the company's lorry until after a further prompt by Ms S. I think this caused a further month's avoidable delay in the claim.

I'm satisfied that the delays haven't caused Ms S any financial loss. This is because Ms S had her car repaired, because she would always have had to pay her policy excess as the first part of a claim, and the open claim hasn't increased her premium at renewal. So I think by sending the dashcam footage to the other insurer LV has now restored Ms S's position so liability can be pursued.

But I don't think LV's payment of compensation is sufficient for the impact the significant delays it has caused in the claim have had on Ms S. She has been caused avoidable frustration and upset over a significant period of time. I accept that Ms S contacted LV only three times about the claim. But I think that she firstly presumed that LV was actively pursuing it when it wasn't. And then it said it would provide regular updates, but it didn't do so.

Our Investigator recommended that LV should pay Ms S £150 further compensation (£250 in total) for this trouble and upset. I think that's fair and reasonable as it's in keeping with our published guidance where there has been an impact over several months, as in Ms S's circumstances.

### **Putting things right**

I require Liverpool Victoria Insurance Company Limited to pay Ms S £150 further compensation for the distress and inconvenience caused by its level of service in handling her claim.

### **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 Ms S to accept or reject my decision before 12 December 2022.

Phillip Berechree  
**Ombudsman**