

The complaint

Mr P complains about the customer service he received from Liverpool Victoria Insurance Company Limited (LV) after a third-party claimed he was responsible for damaging their car.

What happened

In October 2022, another driver accused Mr P of reversing into his car and damaging it. Mr P says his car didn't make contact with the other vehicle. He was concerned the third-party driver might make a fraudulent claim for pre-existing damage. So, Mr P called LV to let it know what had happened. He told LV he would be leaving the country a week later, so he wouldn't be available on his mobile phone, but it could contact him by email.

In February 2023, Mr P received his renewal documents from LV and found that his premium had increased by around 50%. Mr P had difficulty contacting LV to resolve the matter. He says he couldn't log on to his account, the live chat wasn't working, and he received generic responses to his emails. Mr P says he had to put his SIM back into his UK mobile phone to call LV from abroad and this resulted in an expensive phone bill.

Mr P was told that his premium had increased because there was an open claim on the policy. LV said it had sent him a text message with a link for him to upload images to show his vehicle hadn't caused any damage. Mr P says he didn't receive the text message. He was unhappy that LV hadn't communicated with him by email, as he'd requested before he went away.

After Mr P raised a complaint with LV, it offered him a total of £150 compensation for customer service issues. It also told Mr P that the claim had been closed and any overpaid premiums would be refunded back to him.

Mr P remained unhappy and asked our service to consider his complaint. Our investigator thought the £150 LV had already offered Mr P was fair compensation for the service issues he'd experienced. But she thought LV should also reimburse Mr P for the costs of his calls and data used (totalling £54.02).

LV disagreed with our investigator's outcome. It said it had offered Mr P £100 for the problems he'd had getting to speak to someone and failed call backs. Mr P had provided a screen print of call costs for approximately £99 but it wasn't itemised. LV had made a further gesture of £50 for call costs. It said it maintained that £100 for inconvenience plus £50 for call and data costs was reasonable.

Mr P said he'd received further information from his mobile phone provider, which differed from what it had previously given him. He said there were "*out of plan*" charges he'd like to claim for. He said he was looking for LV to pay him £150 plus costs of £90.02.

As both parties have disagreed with our investigator's outcome, 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.

Having done so, I've decided to uphold Mr P's complaint. I'll explain why.

LV says £100 of its offer was to compensate Mr P for the inconvenience he experienced because of customer service issues, and this was higher because he was abroad. It says the other £50 it had offered Mr P was for his phone calls. As this is around the amount our investigator recommended LV pay Mr P, it feels that a total of £150 is reasonable.

In its response to our investigator's outcome, LV said the £100 was offered for the problems Mr P had getting to speak to someone and failed call backs. It doesn't appear to have recognised the worry and frustration Mr P experienced from not being kept informed about the third-party claim.

In LV's notes from the date Mr P reported the alleged incident it says: "*PH has images if we request them I have updated details on file PH said he is away from the 26/10/22 so won't be available on the mobile but we can contact PH by email advised claim is closed but if we need to contact PH we can*".

Despite this, LV has said the request to upload images was sent to Mr P via text message in November 2022. This meant that Mr P wasn't aware of the open claim until he received the renewal documents in February 2023. So, I don't think Mr P was expecting such a high increase in his premiums, and he was caused some unnecessary distress.

Our investigator has shared the itemised mobile phone bills Mr P has provided us with LV and has explained why she thinks it would be fair for it to reimburse him a total of £54.02. I appreciate Mr P feels that LV should reimburse him a total of £90.02 because of "*out of plan*" charges. However, our investigator has explained why she doesn't think LV is responsible for these.

Having considered the overall impact of LV's actions on Mr P, I think £150 is a fair amount to compensate him for the distress and inconvenience he's experienced. And I think £54.02 is reasonable compensation for his financial loss. So, I think LV should pay this as well.

Putting things right

LV should pay Mr P:

- £54.02 for his call and data costs and
- £150 for distress and inconvenience

My final decision

For the reasons I've explained, I uphold Mr P's complaint and direct Liverpool Victoria Insurance Company Limited to put things right by doing as I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 18 August 2023.

Anne Muscroft
Ombudsman