

The complaint

Mr H complains Liverpool Victoria Insurance Company Limited (“LV”) didn’t treat him fairly when he made a claim against his motor insurance policy.

What happened

Mr H had a motor insurance policy with LV. On 16 August 2023 Mr H was in a car accident and made a claim against the policy. He’d paid extra for a ‘guaranteed hire car’ add-on to his policy. Mr H didn’t receive a hire car until 25 August 2023. Mr H complains about the impact the delay had on him and his life, and about the poor customer service he received from LV.

LV upheld Mr H’s complaint. It recognised it had let him down by not providing a hire car as soon as it should have, and that he’d received some poor customer service. It apologised, paid Mr H £20 per day he was without a hire car, £150 compensation for the distress and inconvenience he was caused and extended the hire period from four to seven days.

Mr H didn’t think was a fair resolution to the complaint, so he asked our Service for an independent review. The Investigator found Mr H’s complaint had merit, but he was satisfied what LV had done to put things right was fair and reasonable in the circumstances. Mr H didn’t agree so 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.

I’ve summarised the complaint in a lot less detail than it has been presented. And I will not be setting out my findings in the level of detail Mr H might like. Nor will I comment on everything. Instead, I will focus on the crux of the complaint. Our rules allow me to do this, and it isn’t meant as a discourtesy. It simply reflects the informal nature of our Service. I can assure Mr H (and LV) that I have read all the information presented to me.

Mr H had an add-on with LV for about £20 a year which entitled him to a guaranteed hire car, and LV’s literature suggests it aims to provide a hire car within eight hours of the insured’s car going to site. So, Mr H ought to have been provided with a hire car some time in or around the afternoon on 16 August 2023. He didn’t get it until the afternoon of 25 August 2023 – so nine days late. LV let Mr H down here.

It’s not my role to punish LV – I’m not a regulator. Nor is it my role to review the quality of LV’s products – such as guaranteed car hire – more generally, as Mr H has asked me to. Instead, I must consider the individual circumstances of this complaint and, if I find it has merit (as is the case here) determine what LV must do to put things right, considering both financial and non-financial losses.

Mr H was without a car for nine days. As I understand it, Mr H has two cars in his household (according to the policy schedule), a supportive son (whom I understand took Mr H to the football), and could, if the need had arisen, resorted to other modes of transport, such as

public transport or taxis. I understand Mr H didn't pay for any such alternative transport and so this matter has not caused him to lose out financially.

LV provided poor customer service. It initially – in error – didn't think Mr H was entitled to a hire car from the start of the claim. Later, because of delays and misunderstandings, Mr H had to chase LV for updates, and some of the calls didn't go well. Compensation is appropriate. I'm aware of Mr H's vulnerabilities, so I understand the impact on him might have been greater than might have been the case for others.

Having considered everything, I'm satisfied £330 compensation in total, alongside a hire car extension, fairly and reasonably reflects the impact the lack of a hire car for a time and the poor customer service had on Mr H from the date of the claim (16 August 2023) to the date of LV's final response (25 August 2023). It follows I'm not requiring LV to pay Mr H further compensation, or do anything more, to resolve this complaint.

Mr H is also dissatisfied with the settlement value of his claim, how/when it was paid, and when he needed to return the hire car. It's clear LV is aware of this dissatisfaction, but I can't see a final response has been issued. I have asked the Investigator to consider these complaint points under a separate complaint reference. If Mr H doesn't want this to happen, he should let the Investigator know.

My final decision

Mr H's complaint has merit, but Liverpool Victoria Insurance Company Limited has done enough to put things right, so I don't require it to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 26 June 2024.

James Langford
Ombudsman