

The complaint

Mr M complains that Liverpool Victoria Insurance Company Limited (LV) caused delays in repairing his car following a claim made on his motor insurance policy. He wants compensation for the loss of use and depreciation in his car's value.

What happened

Mr M's car was damaged, and he made a claim to LV. It arranged for the car to be inspected. The car was deemed to be repairable, and LV approved the repairs and instructed a repairer. There was a delay in obtaining needed parts.

Mr M wanted the car to be declared a total loss and disagreed with some repair methods. He was also unhappy that his personal details had been shared. So the repairer refused to continue with the repairs. Another repairer later completed the repairs. But Mr M was unhappy that the repairs had been delayed and he'd been without his car which had lost value in the meantime.

Our Investigator didn't recommend that the complaint should be upheld. She thought LV had dealt with the claim promptly and it wasn't responsible for the delay in parts being obtained. So she thought LV hadn't caused any avoidable delays and didn't need to pay Mr M any compensation.

Mr M replied that his car had been returned to him a month after the date the Investigator thought the repairs had been completed, and he was unhappy with their quality. He said he had to continually call LV for updates. Mr M asked for his complaint to be reviewed by an Ombudsman, so it's 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.

I can see that Mr M wanted to get his car repaired quickly so that he could replace it. I can understand that he feels frustrated that it took longer than he expected for his repairs to be made.

I can also see that Mr M has raised a further complaint with LV about the repairs made and the further damage caused to his car when it was returned to him. But I can't consider that here as I can only consider the concerns he raised with LV and that it has responded to.

So I'll consider here whether LV was responsible for any avoidable delays in the claim, whether the car should have been declared a total loss and the data breach that Mr M reported.

I've firstly considered the claim journey. I can see that the car was promptly inspected, and the repairs were authorised a few days after the claim was raised. The repairs estimate made the car economical to repair, so I'm satisfied that it was reasonable for LV to arrange for its approved repairer to undertake the repairs.

Unfortunately, Mr M and the approved repairer fell out. Mr M said this was when he raised concerns about a data breach. Mr M has also explained that his health conditions can lead to him acting out on occasions. I wasn't present, so I can't say what happened at the time. But the consequence was that the repairer declined to continue with the work and LV then had to source another repairer. This caused a small delay, but I can't say LV was responsible for this.

LV's next repairer then had difficulty obtaining the required parts for the repairs. LV said this was due to global supply problems. I agree that this is outside LV's control, and it wouldn't be reasonable to hold LV responsible for this. But we don't think it's reasonable to expect consumers to wait indefinitely for repairs to be completed. And we think where there are long delays anticipated insurers should provide other options.

I can see that LV contacted other approved repairers to see if the work could be completed more quickly. It considered making a cash in lieu of repairs offer, but Mr M's lease company wouldn't accept this. And I can see that LV offered Mr M the choice of having the repairs made at a non-approved repairer or at a dealer's garage. It said it would deliver the car and it would waive the £200 additional excess that would usually apply.

So I think LV reasonably offered Mr M an alternative when it thought the time to complete the repairs was excessive. However, Mr M preferred to stay with the approved repairer.

Mr M also thought LV should declare the car to be a total loss. But it declined to do this as its assessment was that the car was economical to repair. And I'm satisfied that LV is entitled under the terms and conditions of its policy with Mr M to take over, defend, or settle a claim as it sees fit. This is a common term in motor insurance policies, and I do not find it unusual. So I can't say that LV's decision to repair the car was unreasonable.

So, although I can understand Mr M's frustration, I can't see that LV caused any avoidable delays in repairing his car. It progressed the claim promptly, it isn't responsible for the global supply problems for spare parts, and it offered Mr M reasonable alternative options for dealing with his claim.

Mr M was concerned about the repair methods that the approved repairer might use. But I can see that LV explained that manufacturer approved, and recognised repair methods would be used. So I can't say that this was unfair or unreasonable.

Mr M was concerned that there had been a breach of his personal data by the first approved repairer. LV apologised and said it would raise this with the repairer. And I can see that Mr M has already raised this with the Information Commissioner's Office, so I won't consider that here.

Mr M was concerned about depreciation in the car's value during the months it was being repaired. But, as I can't say that LV was responsible for any avoidable delays, I can't say that it should pay Mr M any compensation for this.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 2 October 2024.

Phillip Berechree
Ombudsman