

The complaint

Mrs F and Mr F are unhappy with the quality of repairs to their vehicle carried out by Liverpool Victoria Insurance Company Limited (LV) under their motor insurance policy.

This complaint has been bought by both Mrs F and Mr F, however as Mrs F is the policyholder, and for ease, I've referred to her throughout.

What happened

The details of this complaint are well known to both parties and so I've summarised events.

In July 2023 Mrs F's vehicle was unfortunately hit by a third party and so she submitted a claim under her motor insurance policy. Mrs F's vehicle was repaired by one of LV's recommended repairers and returned to Mrs F in August 2023. Mrs F contacted LV to make it aware the electronic wing mirror wasn't working and a number of warning lights were showing on the dashboard.

Mrs F's vehicle was returned to the repairer to carry out rectification work. LV said there was an issue with the SD card which wasn't related to the accident and needed to be replaced by Mrs F. Mrs F's vehicle was returned but she contacted LV again as warning lights were showing on the dashboard. A post repair inspection was arranged by LV. The engineer said he suspected the battery may have gone flat whilst in for repair and the parking sensors needed to be checked. He also identified there was front damage to the vehicle from the accident which hadn't been repaired. He also said the SD card was faulty but this wasn't related to the claim. Mrs F's vehicle was returned to the repairer to resolve the outstanding issues.

Mrs F's vehicle was returned but the engine warning lights persisted and so it was returned to the repairer. LV said it appeared the outstanding issues were related to a carbon build up which it didn't believe was related to the accident or repair. However it said as a gesture of goodwill it would arrange to replace the diesel particulate filter (DPF). Mrs F was unhappy with the way the repairs had been carried out and so raised a complaint.

LV upheld Mrs F's complaint. It said the issues related to the SD card weren't related to the accident, but said it took too long for it to investigate this. It said it had missed the damage to the front of Mrs F's vehicle during the initial repair. It said there had been a lack of service in dealing with her concerns and the repairers hadn't kept her appropriately updated. It said one of the issues with the DPF was deemed to be related to historic carbon build up but it would replace this as a gesture of goodwill. It paid £350 compensation in addition to the £50 compensation it had previously paid, bringing the total compensation to £400. Following LV issuing its complaint response to Mrs F it told her the cleaning of the DPF hadn't removed the warning light as further service related repairs were required but this wouldn't be covered by LV. Mrs F didn't think this was reasonable and so referred her complaint to this Service. She said in addition to the way the claim had been handled she was unhappy LV had said it wouldn't allow her to use her legal expenses insurance to make a claim against LV.

Our investigator didn't uphold Mrs F's complaint. She said she didn't think it was

unreasonable for LV not to replace the SD card based on the evidence available. She said she thought the carbon build up was more likely to have built up over time prior to the incident. She said she hadn't seen evidence Mrs F had experienced a loss of earnings as a result of the claim and the compensation LV had awarded was reasonable in the circumstances. She said she wouldn't be able to comment on the legal issues Mrs F had raised.

Mrs F didn't agree with our investigator. She raised a number of points but in summary:

- She said she had asked LV what SD card she needed to purchase on numerous occasions but wasn't given this information
- The carbon build up was identified in December 2023 but she didn't receive her vehicle back until April 2024. This caused additional damage to her vehicle
- Her vehicle's MOT and service showed no previous evidence of carbon build up
- She had suffered a financial detriment due to the time she spent dealing with this claim
- She didn't think the compensation paid was reasonable for the distress and inconvenience she has been caused.

As Mrs F didn't agree with the investigator, the complaint's 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.

SD Card issue

After Mrs F's vehicle was returned it started displaying warning lights on the dashboard. The repairer said the issues had been resolved but some of the issues such as with the Bluetooth and Sat Nav were due to a faulty SD card. It said once the SD card was replaced it may show other problems, but it could review this once it had been replaced. Mrs F felt the fault with the SD card was likely caused by the accident or something the repairer had done. LV said the faulty SD card wasn't related to the accident and so it wouldn't pay for the replacement.

Based on the evidence provided I don't think LV were unreasonable not to cover the replacement SD card. The repairer said based on where the SD card was located, it wouldn't have been impacted in the accident, and the main dealer had said they don't think this was incident related. The engineer who inspected Mrs F's vehicle said the faulty SD card was very common on the model of vehicle and it is not related to the claim. I think a reasonable explanation has been provided as to why this wasn't related to the accident, supported by a qualified engineer and so I don't think it was unreasonable for LV to rely on this. I've not seen any evidence the fault with the SD card was related to any repairs carried out.

It's been acknowledged by LV the issue with the SD card did take longer than it should have done to identify. It took a number of weeks before the issue with the SD card was fully investigated and during this period Mrs F was regularly chasing LV and the repairer. This has caused Mrs F additional distress and inconvenience which could have been avoided had the issue with the SD card been investigated more quickly.

Mrs F has said she had asked LV and the repairer what SD card she needed to purchase but wasn't given this information. Based on the evidence available I haven't seen Mrs F had asked LV what SD card she needed to purchase and it appeared Mrs F didn't agree this was her responsibility. As I haven't seen evidence Mrs F asked for details of the SD card she required I can't say LV failed to provide her this information.

Carbon build up

In December 2023 the repairer told LV Mrs F's vehicle had been looked at by the main dealer who now believed the engine warning lights were due to a carbon build up. LV have said this was a historic carbon build up and so unrelated to the accident or repairs, however as a gesture of goodwill it agreed to replace the DPF to see if this resolved the issue. Unfortunately the engine warning lights remained. Mrs F said she believes the carbon build up was due to sitting idle at the repairer and there was no evidence of a carbon build up on her previous MOT or service.

Based on the evidence provided I don't think it was unreasonable for LV to conclude the carbon build up was unrelated to the accident or repairs carried out. Mrs F's vehicle was taken to a main dealer who diagnosed the issue. I can see a copy of an email from the main dealer in which it said:

'my own view is that the warning messages or lights being on are not related to any bodywork that has been carried out as some of the faults appear to have been present for a while now...The vacuum pump failure will have been caused by the oil pressure issue which stems from the injector seals allowing exhaust gases into the oil and the oil strainer blocks as it tries to filter the carbon from the oil. These faults can build up over time and not using the correct grade of oil won't help. The engine oil is below the minimum so I would make the assumption some maintenance may have been missed and this car has not been serviced at a Mazda main dealer since 2018 so some of these faults may have been missed.'

I don't think it's unreasonable for LV to rely on this email from the main dealer to conclude the issues experienced were more than likely caused over a period of time and not as a result of the repairs that had been carried out.

Mrs F has provided a copy of a service carried out on the vehicle in December 2022 and the MOT certificate from October 2023 which show no carbon build up in the engine or exhaust. I've taken this into consideration but on balance I'm most persuaded by the main dealer who was inspecting the vehicle specifically looking for the cause of the fault. I've not seen any evidence from a similarly qualified engineer which disputes what the main dealer has said, nor confirms the carbon build up has been caused by repairs or by the vehicle being sat idle.

I think LV were reasonable to pay for a replacement DPF to see if the issues could be resolved, particularly given the information from the main dealer suggested the faults were unrelated to the repairs. However I think this took longer than it should have done to complete and Mrs F's vehicle be returned. The carbon build up issue was first identified in December 2023 and Mrs F's vehicle wasn't returned until April 2024. I acknowledge Mrs F was in a hire vehicle during this period, but it would have still caused Mrs F inconvenience to be without her vehicle for longer than was necessary.

Missed repairs

When the post repair inspection was carried out, the engineer identified there were accident related repairs which had been missed by the repairer. It was reasonable LV arranged for these repairs to be carried out as part of the claim, but it would have been distressing for Mrs F to have not had her vehicle repaired as it should have been in the first instance.

Hire vehicles

Mrs F has said the hire vehicles she was provided whilst her vehicle was at the repairer weren't appropriate. She said she didn't feel safe driving her children in some of the vehicles and others didn't fit within her parking space.

I think it was reasonable for LV to arrange hire vehicles whilst Mrs F's vehicle was with the repairer. Whilst not all of the issues identified were related to the accident or repairs, it's clear further investigations were required and it was fair Mrs F was provided a vehicle similar to her own whilst this was carried out. I acknowledge Mrs F wasn't satisfied with all of the hire vehicles she was provided, but I think the hire vehicles LV arranged were suitable in the circumstances.

I acknowledge there were some issues with arranging hire, for example in October 2023 when a suitable hire vehicle wasn't available. Mrs F spent unnecessary time speaking with the hire company and was without a vehicle for a couple of days. This would have caused Mrs F unnecessary inconvenience.

Legal Expenses

Mrs F contacted LV looking to use her legal expenses cover to take legal action against LV for the way it handled her claim. LV said this wouldn't be possible as it would be a conflict of interest, and it wouldn't cover the cost of a solicitor for this.

I can see from the insurance policy information document the legal expenses cover provide, *'Up to £100,000 to cover legal expenses to recover your uninsured losses where you have an accident that's not your fault, or to defend a motoring prosecution'*

Based on the evidence provided I don't think the legal expenses cover Mrs F holds would provide cover for her looking to take action against LV for the way it handled her claim. Nor would any insurer provide cover to litigate against itself. Therefore I don't think it's unreasonable LV told Mrs F the legal expenses cover couldn't be used for this.

Putting things right

LV have acknowledged it made errors during the repair process and so I need to consider whether the compensation LV have paid is reasonable to acknowledge the impact on Mrs F.

I think Mrs F has been caused distress and inconvenience due to the way LV handled the repairs on her vehicle. Whilst I don't think the issues with the SD card or carbon build up were caused by the accident or repairs, I think the investigation into these issues has taken much longer than it should have done. I can see Mrs F has spent considerable time speaking with LV about these issues and LV have acknowledged its communication at times wasn't of the standard it should have been. Additionally, there was damage to Mrs F's vehicle that had been missed which would have caused her distress and inconvenience.

I've also taken into consideration that ultimately I don't think the main issues which have led to Mrs F's vehicle being returned to the repairer were caused by the accident or repairs to Mrs F's vehicle. Additionally LV have paid for a replacement DPF, which totalled over £1,000 despite the evidence from the main dealer suggesting this wasn't as a result of the repairs it carried out. Mrs F has also been provided with hire vehicles whilst her vehicle was at the repairer.

Having taken into consideration all of the above, I think the £400 compensation LV have paid is reasonable to acknowledge the distress and inconvenience the errors I hold it responsible

for have caused Mrs F. I appreciate Mrs F has said she has suffered financial detriment as a result of the delays with LV. Mrs F has explained she has had to spend considerable time away from her business in order to deal with the claim. However I haven't seen evidence of Mrs F having suffered a loss of earnings specifically as a result of errors by LV. I've taken into consideration the time she has spent speaking with LV when deciding reasonable compensation.

My final decision

For the reasons I've outlined above, it is my final decision that I don't uphold Mrs F and Mr F's complaint about Liverpool Victoria Insurance Company Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F and Mr F to accept or reject my decision before 8 January 2025.

Andrew Clarke
Ombudsman