

## The complaint

Miss B and Mr W complain that Liverpool Victoria Insurance Company Limited have declared their car a Category B write off when it is repairable.

## What happened

Miss B and Mr W made a claim following an act of vandalism on their car.

LV's engineers reviewed images of the car and said that it should be regarded as a Category B total loss due to potential toxins/carcinogens in the car following the fire.

Miss B and Mr W were unhappy with this as they said there was no damage to the exterior or the engine except for the smashed rear window, and that the interior damage was repairable. They wanted to keep the car and didn't want it declared a total loss.

Miss B and Mr W therefore arranged for the car to be inspected locally, and the report confirmed that the car can be safely repaired. LV have considered the report but have not changed their view.

Miss B and Mr W were unhappy with LV's response and brought their complaint to us.

One of our investigators has looked into Miss B and Mr W's complaint and he recommended that LV arrange for an independent inspection. LV didn't agree and so the case has come to me to review.

## 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.

As the investigator has said previously, this service can't make judgements on whether a car should or shouldn't be on the road. So, my role here is to look at the evidence provided by both parties and to decide whether LV have made a fair and reasonable evidence based decision when coming to their view that the car should be deemed a total loss.

LV have deemed the car a Category B total loss on the basis of photographs which have been considered by their in house engineer. They have said that:

*“the extent of the internal heat and smoke damage to the interior of the vehicle, including modules, wiring and other materials, with the potential that the vehicle may pose a carcinogenic risk are factors that have contributed to the decision to deem the vehicle a Category B”.*

However, LV told Miss B and Mr W that they would reconsider if they obtained an independent inspection report from an engineer registered on the IAEA website.

Unfortunately as Miss B and Mr W live remotely in the UK, the nearest engineer registered on the IAEA website was over 100 miles away, and it was logistically difficult and expensive to transport the car to. So Miss B and Mr W had the car examined at home by an Appropriately Qualified Person (AQP), although he was not on the IAEA register. An AQP is someone who has *“successfully completed a Competency Based Assessment as required by the Code of Practice for the categorisation of Motor Vehicle Salvage”*

The inspection report recommended that the vehicle was categorised as a category N write off. It said:

*“Interior odours due to fumes and smoke were also limited with little in the way of smoke/soot deposits”*

And

*“Interior fire damage is localised and does not present serious challenges to reliable repair”*

The report also said that they believed the car could be outside the salvage code of practice on grounds of sentimental value as it belonged to the policyholder's grandfather and had been restored by Mr W as he is a mechanic.

Miss B and Mr W sent this report to LV, and their engineers considered it, but declined to change their view. They have subsequently told us that the garage who inspected the car had poor reviews online, and that their own engineer is on the technical committee for the salvage code of practice and is experienced in making desk based assessments.

Whilst I note the experience of LV's engineers, I think that given the thorough report provided by the AQP engaged by Miss B and Mr W, who actually examined the car, there is sufficient evidence to doubt the categorisation, and it is reasonable to direct that LV send an AQP from the IAEA register to physically inspect the car and provide a report on categorisation of the loss.

I also think that LV should reimburse Miss B and Mr W the £195 cost of the report they have paid for, because LV suggested to Miss B and Mr W that a report might assist them, but then disregarded it, when they should have arranged a physical inspection in the first place themselves.

### **Putting things right**

In order to put things right, LV should:

- Arrange for an inspection of the vehicle by an AQP from the IAEA register to determine the categorisation of the loss.
- Pay Miss B and Mr W £195 for the cost of the report by the AQP

### **My final decision**

I'm upholding Miss B and Mr W's complaint about Liverpool Victoria Insurance Company Limited and directing them to put things right as above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B and Mr W to accept or reject my decision before 6 February 2025.

Joanne Ward  
**Ombudsman**