

The complaint

Miss S has complained about Liverpool Victoria Insurance Company Limited (LV). She isn't happy about the way it dealt with a claim under her motor insurance policy.

What happened

Miss S made a claim under her motor insurance policy after she was involved in a minor motoring incident when she collided with a parked vehicle. When LV looked into the circumstances surrounding the claim it decided there was two separate movements of her car at the time of claim, so it looked to charge two separate excesses of £500 each. As Miss S wasn't happy about this and the service she received she complained to LV.

When LV looked into things for her it acknowledged some poor service and offered £100 by way of compensation for this. But it maintained there should be two excess charges as it felt the damage to the rear of her car was caused by two separate incidents. As Miss S remained unhappy, she complained to this Service.

Our investigator looked into things for Miss S and he upheld her complaint. He accepted that LV's offer of compensation was fair, but he thought it should refund the second policy excess. Although he accepted that there *may* have been two separate movements of the car, he thought all the low-level damage was caused during the same incident, so he thought the fair and reasonable thing to do was to refund one of the excesses.

As LV didn't agree, saying that its engineer thought there had been a forward and reverse movement causing the damage, it maintained both excess payments were due and so the matter has been passed to me for 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.

Having done so I agree that the fair and reasonable thing to do is for the second policy excess to be waived. I know LV will be disappointed with this, but I'll explain why.

Although I can understand LV's position and that there *may* have been two separate movements here, I think this creates an unduly harsh outcome in the particular circumstances of this case.

Miss S was clearly facing a difficult time when she was involved in this very minor collision with a parked car causing damage to the rear of her car as she was going to hospital to see her father. And I note that when she called LV there were problems with the quality of the connection on LV's side which led to a disjointed call which may well have impacted things here. I say this as LV has suggested that the finer detail about what did and didn't happen wasn't provided when Miss S reported the claim but I'm sure if the quality of the call was better a clearer explanation would have been gained. Indeed, it was clear in that call that Miss S wasn't happy about the level of one excess (£500), never mind being charged two totalling £1,000. And it is quite possible, if the detail of the claim was gained at that time and

a further excess was discussed with Miss S, that she would not have proceeded with the claim at all.

Furthermore, I agree with the position outlined by our Investigator that the damage all happened at the same time during the collision with the unattended parked car. It is *possible* that Miss S had to maneuver her car back and forth while reversing and moving away from the parked car, but I think it would be unfair to say that this incident should be treated as two separate incidents with two excess payments due. LV's own engineer has recognised that the damage was sustained as part of the same incident and clearly this would have happened as part of the same overall driving manoeuvre.

Given this I think the fair and reasonable thing to do, in the particular circumstances of this case, is for Miss S to only have to pay one excess of £500 and treat the damage sustained as part of the same incident. So, LV should refund the second excess payment of £500 to Miss S and pay her 8% simple interest if she has already paid the second excess.

Finally, I note that LV paid £100 in compensation for the poor communication issues Miss S faced in advancing her claim and a small delay in getting a courtesy car with the required transmission and I agree this feels fair.

My final decision

It follows, for the reasons given above, that I uphold this complaint. I require Liverpool Victoria Insurance Company Limited to refund Miss S' one of her £500 excess payments. And pay 8% simple interest from the date of payment until the date of settlement and £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 28 April 2025.

Colin Keegan
Ombudsman