

The complaint

X complains that Liverpool Victoria Insurance Company accepted liability on their behalf without proper consideration of the situation.

What happened

In March 2024 X was notified by LV that they had received a claim from another insurer who alleged that they had been involved in a collision in November 2023.

X responded that they weren't involved in any accident at the location specified and was in a different location on that day. LV went back to the third party for further information.

LV were provided with CCTV footage of the accident showing a vehicle which was alleged to be X's car colliding with a parked vehicle.

As a result, LV accepted liability on X's behalf and settled the claim.

X complained but LV didn't uphold the claim, and so they brought their complaint to us.

One of our investigators looked into X's complaint. She thought that LV hadn't acted unfairly in settling the claim and accepting liability.

X disagreed with our investigator's view, 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.

It's not my role to decide whether X is or isn't liable for the accident, but rather to decide is whether LV's decision to accept liability was done so fairly and reasonably. To do this, I've carefully considered the information provided by X and LV, including all the claim notes, submissions, correspondence and CCTV.

Having done so, I'm not upholding this complaint and I'll explain why.

Should LV have accepted liability?

At page 46 of the policy, it says:

If we wish we may take over and deal with your claim in your name. We may also pursue any claim to recover for our benefit any money we have paid out under this policy. We're entitled to take over, defend or settle any claim under this policy in the name of you or any other person covered by this policy and we are entitled to take legal action in any such name to recover any payments we make."

This means that under the terms of the policy LV are entitled to settle a claim as they see fit, provided they do so fairly and reasonably, even if it goes against the wishes of the policyholder.

When LV received notification of the claim from the third-party insurer, X disputed it because they were not at the stated location on the day of the alleged incident and was at an appointment at a clinic over 30 miles away. LV went back to the third-party insurer for clarification of the exact location, as it seemed there may have been an error.

In July 2024 the third-party insurer provided CCTV footage which is dated stamped at [REDACTED]. I have viewed the CCTV, and it shows a [REDACTED], leaving the car park. As it does so, the [REDACTED] catches the front passenger side bumper of a red car with its rear passenger side wheel arch and bumper. The number plates of the cars are not clear in the footage, although the [REDACTED] registration appears to begin with a Y.

X has told LV that an employee of the clinic that they had an appointment at [REDACTED] [REDACTED] has been harassing them directly, saying that their car hit his in the car park of the clinic. They have received letters through their door about it. While they agree that they were at the clinic at that time, they say they were not aware of any impact.

LV did go back to the third party several times for clarification of the location, but it was never received.

However, they did view google images of the clinic where X has admitted they were on the morning in question, and they were of the opinion that it was the same location as the CCTV. I have also googled the clinic, and I can understand why they have said this, as the entrance to the drive, which is visible in the CCTV has the same type of slanting wall, and the same location of trees. So, it seems more than likely that the CCTV footage is from the car park of the clinic, and not at the location originally stated by the third-party insurer. X has admitted being at the clinic, and they have received direct communication from the clinic employee about an incident, so it seems more than likely that this was X's car.

LV have also had X's car examined by an engineer. In his report, he advises that X's car has damage to the passenger side front wheel arch trim, passenger side rear wheel arch trim, and passenger side rear bumper. This damage is consistent with the impact shown in the CCTV.

So, on balance, I'm satisfied that LV have made appropriate enquiries and reached their decision to settle the claim fairly and reasonably, taking into account the evidence available.

Did LV communicate with X appropriately about this?

I've reviewed LV's communication with X throughout the claim.

I can see that when they disputed the claim LV acted appropriately in asking for further information from the third-party insurer, and that they kept them updated.

They did confirm to them that it was likely in view of the CCTV footage that they would settle, even though the evidence wasn't conclusive as the wrong location had been cited, and they also informed them once they had settled it.

X rang LV and asked if they could pay the claim costs and get the fault claim removed from their records. I can see that the call handler looked into this and informed them that if the claim costs were paid, they would look to close the claim as information only, but X

would still have to declare it as a claim to any new insurer. So, I think they have given clear information here too.

I appreciate that X is upset about this, and about the impact this claim will have on their future premiums. However, taking everything into account I can't say LV have acted unfairly in dealing with this claim.

My final decision

My final decision is that I'm not upholding X's complaint about Liverpool Victoria Insurance Company Limited and so they don't need to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 23 April 2025.

Joanne Ward
Ombudsman