

## The complaint

Mr F complained that Liverpool Victoria Insurance Company Limited didn't allow him a courtesy car under his motor insurance policy.

## What happened

After Mr F's car was damaged in an incident, Liverpool Victoria Insurance Company Limited (LV) agreed to pay for its repair. Mr F was unhappy that LV and their approved repairer wouldn't provide him with a courtesy car during the repairs. He said that he needed a courtesy car, and so he was forced to use a repairer who did provide one. But because this was a repairer outside LV's approved repairer network, he had to pay a higher policy excess under the policy. Mr F wanted LV to compensate him for that additional excess.

LV said his policy didn't include a replacement car during repairs. That was a "guaranteed hire car" which was an optional policy extra and Mr F hadn't chosen it.

The investigator didn't recommend that Mr F's complaint should be upheld. She thought that LV hadn't acted unfairly or outside of their contract of insurance with Mr F.

Mr F didn't agree, and I've been asked 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.

Mr F thought that it was normal for repairing garages to provide a courtesy car during repairs, and so if LV were not going to provide that they should have made that clear in the policy. He said that LV's approved repairer advertised that they did offer a courtesy car, but LV told them not to give him one, and that was unfair.

I've looked at his policy wording. It says "*We'll guarantee you'll have a hire car if yours is being repaired after an accident by one of our recommended repairers, is a total loss or is stolen.*" I've also looked at Mr F's schedule of insurance, which confirms that Mr F didn't choose the guaranteed hire car option.

Mr F said he wasn't to know that guaranteed hire car meant courtesy car. He thought that a courtesy car and guaranteed hire car were two different things, and that courtesy cars were provided free by a garage but hire cars would need to be paid for. He said he understood that he wouldn't get a guaranteed hire car unless he paid for it as an optional extra, but he thought that he would still get a courtesy car from the garage for free if one was available. He felt that just because he hadn't chosen the guaranteed hire car option didn't mean that he shouldn't get a courtesy car. He thought LV's staff didn't understand about courtesy cars, and that the policy's wording didn't mean that someone couldn't have a replacement car during repairs if the approved repairer did have one available.

But I think it is clear from the policy wording that the only replacement car which would be provided during repairs was a guaranteed hire car, and that LV or their approved repairer would only provide it if chosen as an extra option. The policy doesn't say that a courtesy car will be provided by anyone. It doesn't refer to a courtesy car at all. This type of policy is not uncommon, and I don't think it's wording is unclear. I don't consider it to be an unusual exclusion or omission.

An approved repairer acts for the insurer instructing it as their agent, and so what service the repairer provides for the consumer is governed by what that insurer provides according to the policy terms. Mr F agreed to those policy terms when he took out the policy. And as the investigator said, Mr F's policy documents warned that he should check through his documents to make sure he was satisfied with the cover he had chosen.

Mr F also said that LV's approved repairer advertised that they did provide a courtesy car during repair, but LV told them not to give Mr F one. He felt this meant that LV took away a service that their approved repairer garage would otherwise have provided, and that this was unfair. But I don't agree. Even if LV's approved repairer did advertise the availability of a courtesy car, this was if they acted privately for a customer, and the customer still had to pay a daily rate for the courtesy car, so it wasn't free. So it's not that LV unfairly told the approved repairer not to provide Mr F a courtesy car he'd otherwise have been entitled to. As I've explained above, what Mr F was entitled to was governed by the terms of his policy with LV, and under that policy he wasn't entitled to one.

Ultimately I'm looking at whether LV acted reasonably and in line with their policy. I do see that the situation has been frustrating for Mr F and that he will be disappointed with the decision. But I think that LV did what they were required to do under his policy, and it wasn't unfair for them not to provide a courtesy car. So they haven't done anything wrong, and I don't require them to do anything else.

### **My final decision**

For the reasons I've given above it's my final decision that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 21 July 2025.



Rosslyn Scott  
**Ombudsman**