

The complaint

Mr H has complained about the way Liverpool Victoria Insurance Company Limited (“LV”) administered his motor insurance policy.

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.

When considering what’s fair and reasonable in the circumstances I’ve taken into account relevant law and regulations, regulators’ rules, guidance and standards, codes of practice and, where appropriate, what I consider to have been good industry practice at the time. Whilst I’ve read and taken into account everything said by both parties, I’ll only comment on the points I think are relevant when reaching a fair outcome to this dispute. That’s a reflection of the informal nature of this Service.

It’s not my role to make any findings about the wider insurance industry, so I won’t do that. I’ll focus on this complaint and whether LV has acted fairly and reasonably.

Our investigator thought LV had initially acted unfairly, but had since taken reasonable steps to put things right. I agree, and for the same reasons, so I don’t think there’s a benefit for me to go over everything again in detail. Instead, I’ll summarise the main points:

- Mr H made two motor claims with another insurer, who I’ll call A. He then took out an LV policy in 2023. LV took those claims into account when setting the premium.
- Each insurer is entitled to take its own view of risk and, based on that, what premium to charge for providing insurance to a particular policyholder. It’s not my role to judge an insurer’s view of risk.
- LV may consider a non-fault claim indicates a greater risk of another claim – which means a greater risk of incurring claim costs. If so, it’s entitled to charge a greater premium to reflect that perceived risk. Whilst Mr H may not think it’s fair for LV to charge *any* additional premium for a non-fault claim, I’m satisfied it’s entitled to do so.
- Mr H is pursuing recovery of his losses associated with the claims from the parties involved. To support that, he asked LV how much the two claims contributed toward his premium. LV said it wouldn’t provide that information.
- After referral to this Service, our investigator asked LV to do so. It said it was unable to calculate the contributions exactly, but it was able to estimate them.
- I’m satisfied that’s a fair position to reach. Whilst LV wasn’t a party involved in the claims, and won’t be involved in the recovery, I think it’s fair to take reasonable steps to provide information that will support Mr H’s recovery.

- I wouldn't expect LV to provide him with any commercially sensitive information. For example, pricing strategies, algorithms or similar. But I think it would be fair and reasonable for LV to tell him how much of the premium he paid was the result of the two claims. That number isn't, in itself, commercially sensitive.
- LV has now sent Mr H a letter. It explains the total impact on his premium was around £300 and both claims had an equal impact. It also references the two claims by using the dates and other information A added to the CUE database.
- Mr H has questioned the information in the letter. LV isn't responsible for the dates and other claim information that were added to CUE – A is. So I won't hold it against LV if any of that information may be incorrect.
- If Mr H considers any of the claim information on CUE should be changed, he's entitled to approach A. They're the only party who can change the information. LV is responsible for the premium contribution estimate. It's shared detailed information with this Service that satisfies me the estimate is likely to be reasonably accurate in the circumstances.
- I haven't seen any evidence to show or indicate the information LV has provided is insufficient or inaccurate to support Mr H's recovery.
- Taking all of this into account, I'm satisfied LV has acted fairly by sending Mr H the letter and including relevant information to support his recovery. So I won't require LV to do anything further at this time.

My final decision

I uphold this complaint.

For the reasons given above, I'm satisfied LV has already put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 1 September 2025.

James Neville
Ombudsman