

The complaint

Mr O complains about how Liverpool Victoria Insurance Company Limited ('LV') dealt with liability for a claim under his motor insurance policy.

What happened

Mr O had a LV motor insurance policy. In October 2024, he was involved in minor accident with a third party. The third party said Mr O's car rolled back into hers and made a civil claim against LV. Mr O says he didn't see any damage to the other car apart from a crack beneath the front bumper which he believed was pre-existing damage.

Following discussions with its solicitors, LV accepted liability. It told Mr O its engineers found minor damage to both cars consistent with a collision. It explained that if it continued to dispute liability and let the case go to court, the outcome would be the same.

Mr O didn't accept this. He said, in summary:

- He doesn't believe he hit the third party's car and says the claim is fraudulent.
- The height of his car and the height of the damage to the third party's car are "*not compatible*."
- If the engineer didn't see the crack filled with moss under the bumper, he must have inspected a different car.
- The thinks LV is using the claim to increase his insurance premium and cancel his no claims bonus.

Our investigator didn't uphold Mr O's complaint. She was satisfied that LV had investigated the accident fairly and its decision to accept liability was reasonable.

Mr O didn't accept this, so the case was passed to me to make a final decision.

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.

Under the terms and conditions of Mr O's policy, LV can conduct, defend, and settle a claim as it sees fit (page 12, '*General conditions*'). This is common in car insurance policies and LV doesn't need Mr O to agree this. This also means LV can make a decision Mr O doesn't agree with. If it does, I can decide if that decision was fair and reasonable.

I'm satisfied that LV has conducted a thorough investigation into the third party's claim:

- It reviewed statements from both parties. There was no CCTV footage of the collision or any other witnesses.
- It obtained engineers' reports for both cars:

- The report for the third party's car showed "*impact damage to the front*" (the number plate and front bumper) and estimated repair costs at £1,590.98 (including VAT).
- The report for Mr O's car found damage to the rear bumper "*consistent with a light impact at low speed.*" He reviewed images of the third-party vehicle and thought Mr O's car had rolled back causing the tow bar to hit and crack the front bumper of the third-party vehicle. He estimated repairs at £956.50 (including VAT)..
- Its solicitors noted the following:
 - An independent engineer inspected the third party's car and "*confirmed the amount claimed as reasonable.*"
 - The engineer's report set out the cost of parts and labour. It acknowledged that the impact might have seemed minimal but the cost to make right "*can seem excessive.*"
 - Text messages between Mr O and the other driver showed Mr O offering to pay for repairs. He now seemed to be debating the level of damage rather than the fact the accident happened.
- A further review by its solicitors found:
 - The third party's civil claim against LV would be decided on the balance of probabilities.
 - The independent engineer concluded that the height of the damage to the third party's car is consistent with Mr O's tow bar.
 - Its view was the a court would likely find that Mr O made contact with the third party's car.
 - It would think that Mr O's position – that xxx – was unlikely.
 - It had taken appropriate steps to investigate the claim and would now deal with it "*on best possible terms.*"

I understand Mr O's position and how strongly he feels about this. However, I don't think LV would have agreed to settle the claim if it thought it was fraudulent. Having considered the evidence about the accident and LV's investigation, I think LV's decision to accept liability was reasonable.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 28 October 2025.

Simon Begley
Ombudsman