

The complaint

Miss B is complaining about the way Liverpool Victoria Insurance Company Limited (LV) has handled a claim she made on her car insurance policy. Any reference to LV in this decision includes their agents.

What happened

In November 2024 Miss B was involved in an accident where her car was hit from behind while stationary. Initially, Miss B contacted her broker who then referred the matter to an Accident Management Company (AMC). After a month with no progress, the AMC passed the case back. So, Miss B made a claim on her policy and LV arranged for her car to be repaired by one of its approved repairers.

Miss B complained to LV about the way its repairer handled the collection of her car and the way they communicated with her about the repairs. Miss B was also unhappy with the delay in the engineer's inspection of her car and that it was returned with a wheel nut missing. Lastly, Miss B reported electrical issues with her car after it was repaired.

In its response to the complaint, LV acknowledged there had been delays and poor communication during the claim. To apologise, it paid Miss B a total of £190 compensation for the distress and inconvenience caused. But LV said the electrical problems she'd reported weren't related to the accident or the repairs.

Miss B remained unhappy and brought her complaint to our Service for an independent and impartial review. One of our Investigators looked into it. She didn't think LV needed to take any further action. Miss B didn't agree, so the matter's been passed to me to determine.

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.

I should first set out that I'm only considering the actions of LV in this case. I know Miss B had concerns about her broker passing her case on to the AMC but LV isn't responsible for the broker's actions. So, these should be directed to the broker. My role here is to decide whether LV has acted fairly towards Miss B.

LV's handling of the claim

The relevant rules and industry guidelines say LV has a responsibility to handle claims promptly, fairly and provide appropriate information on its progress. So, I've considered the relevant rules and the available evidence, to decide whether I think LV treated Miss B fairly and reasonably.

It's not disputed that LV could've handled Miss B's claim better. LV apologised about the way its repairer communicated with Miss B, the car returning with a wheel nut missing and for incorrectly saying the Electronic Control Units (ECU) test hadn't been completed when

that wasn't the case. LV also acknowledged the engineer's inspection took longer than expected and the report wasn't received until three months after the initial instruction.

Having considered our award bands, I think the £190 compensation LV has already paid to Miss B recognises the distress and inconvenience caused to her due to its poor claim handling. As Miss B has already received the £190 compensation, I won't be directing LV to do anymore here.

Electrical issues

We're not engineers. So, we don't assess how or whether damage has occurred. Our role is to consider if the insurer has fairly considered the available evidence and justified its decision about repairs. We look at all the available evidence, including anything provided by the policyholder, the insurer, and the repairer. We normally give the greatest weight to independent expert motor engineer reports.

Miss B reported electrical issues with the central locking, radio and horn which she says happened after the accident and while her car was in for repairs. LV says the electrical issues reported by Miss B were separate to the accident and subsequent repairs. So, I've thought about whether it was fair for LV not to repair the electrical issues.

The terms and conditions of the policy state:

"We will not pay for the following:

- wear and tear, your car losing value or for any repairs which improve your car beyond its condition before the loss or damage happened.
- mechanical, electrical, electronic or computer failures (including failure caused by Hacks, Viruses, Cyber Incidents/Cyber Act or Malware), breakdowns or breakages."

This means LV is only responsible for repairing damage caused by the accident. In this case, LV's repairer already carried out the repair work to the rear bumper of the car which had sustained light impact damage. The repairer said the electrical issues were likely age related and caused by wear and tear due to Miss B's car being around 12 years old. I don't think it was unreasonable for LV to rely on its repairer's assessment that the electrical issues were unrelated to the accident.

As Miss B remained unhappy with the repairer's assessment, LV arranged for an independent engineer to inspect Miss B's car about the reported issues. I've carefully reviewed the engineer's report to see if it supports LV's stance that these issues weren't related to the accident or repairs. I note that the engineer has stated the car's ECU found no issues with the central locking, radio, or horn, and these parts aren't near the rear bumper. He concluded the issues were unlikely to be related to the accident or repairs.

Based on the evidence available, I think it was reasonable for LV to rely on the opinion of the independent engineer when concluding the electrical issues weren't caused as a result of the accident or repairs. I appreciate Miss B disagrees but she hasn't provided any expert engineering evidence to counter LV's engineers' view that the issues were unrelated to the accident due to the location of the impact. So, I think LV has reasonably considered the evidence available and justified its decision that it's not responsible for the repairs of these issues.

Miss B also said that LV's repairers had wiped the codes which she believes would've proven the reported issues occurred whilst her car was with the repairer. However, it's

standard practice for repairers to wipe the codes after a repair in order to confirm the repair was successful. Clearing the codes resets the system so the repairer can see if the same faults reappear. LV said the repairer carried out a scan of Miss B's car and found no faults with the radio system. This was also confirmed by the ECU test carried out by the engineer which showed no faults with the central locking, radio, or horn.

Whilst LV is satisfied Miss B's electrical issues aren't related to the accident or repairs, it has agreed to reconsider any further evidence Miss B provides and also to have the car reinspected by a repairer of Miss B's choice. And if the electrical issues are found to be related to the accident or repairs, LV would agree to reimburse Miss B for the cost of the inspection and address the issues as part of the claim.

I think this is a fair offer. I know Miss G has raised concerns about the cost of a report she could get and that she thinks other repairers wouldn't be able to determine when the electrical issues started due to the codes being wiped. However, the current evidence doesn't support Miss B's position that these issues are related to the accident or repairs. It follows that if Miss B wishes to maintain her position, LV's offer to review further evidence is a fair one.

In summary, I haven't seen enough evidence to conclude that the electrical issues Miss B is experiencing with her car are related to the initial accident damage or repairs. I think LV is acting fairly in offering to consider any further evidence Miss B provides or have the car reinspected at a repairer chosen by Miss B. I also think LV have fairly compensated Miss B already for the service issues she has experienced.

My final decision

I don't uphold this complaint. I think Liverpool Victoria Insurance Company Limited have already done enough to put things right by offering to consider any new evidence provided by Miss B and paying her a total of £190 for the service issues she has experienced.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 8 January 2026.

Linda Tare
Ombudsman