

## **The complaint**

Mr A has complained about Liverpool Victoria Insurance Company Limited's (LV) handling of a claim on his motor insurance policy.

## **What happened**

In January 2024 Mr A's car was damaged in an accident. One of LV's approved repairers provided an estimate for repair. LV deemed the car uneconomical to repair. When LV told Mr A about this he said he couldn't agree it was a total loss and wanted a second opinion. He asked LV if it could take the car to his preferred garage, which I'll refer to as repairer V, for assessment. LV agreed to that request.

Repairer V provided a cheaper repair estimate. LV authorised it to fix the car. It provided Mr A with a hire car while his car was being repaired. The hire car was damaged and the hire company charged Mr A an excess of £450. LV told him that should not have happened. The hire car company said it would refund that sum but it was a number of weeks before it did so.

Repairer V completed the repairs at the end of March 2024. Mr A was unhappy with the condition of the car and complained about a number of issues including the air conditioning (AC) not working and warning lights coming on. Repairer V took the car back in.

After getting the car back Mr A told LV he was still experiencing issues with it. LV said that, as the repairer was his chosen repairer and not one of its approved repairers, he should ask the garage to identify which issues were accident related.

In May 2024 Mr A took his car to another garage, I'll call it garage L, and paid it £300 for a diagnosis. The diagnostic report found a number of faults with the car. One of those said: "DPF damaged due to crash exhaust doesn't sit right". Another said "rattle from under car".

Mr A sent that report to LV.

LV's own engineer said that only the 'rattle' could be accident related. But LV didn't reply to Mr A at that time.

Mr A contacted LV again. Amongst other things he said his car still wasn't right. He also said he hadn't ever given LV permission to authorise repairer V to fix his car.

Soon after LV suggested that the issue with the exhaust related to a new incident which wasn't connected to the accident or repair. It also said Mr A had travelled a further 4,000 miles in the car since the repairs were completed.

Mr A complained to LV.

LV agreed to appoint an independent engineer to assess Mr A's car. Mr A didn't want his car to go to repairer V's garage for the assessment to take place there. So he said he would organise another garage himself. He said he had to pay to do so and the engineer kept cancelling on him.

The independent engineer produced his reports in October 2024. He said the issue with the AC was unlikely to be accident related but would require further investigation. He found that there were other accident related issues including that the exhaust required additional work and the wheels needed balancing. LV authorised repairer V to carry out the work.

Repairer V completed the repairs in December 2024. Mr A remained unhappy because he didn't believe those repairs had been completed appropriately.

In the meantime, on 9 December 2024, LV replied to Mr A's complaint. It apologised that the hire car company had charged him a £450 excess when it shouldn't have done and that it delayed in repaying him. It also apologised for some issues concerned with the repairs. It said it would pay him £300 compensation. Mr A didn't think that went far enough.

Mr A brought his complaint to the Financial Ombudsman Service. One of our Investigators looked into it. He didn't think LV needed to take any further action. Mr A didn't agree, so the complaint was passed to me to determine.

### **Provisional decision**

I issued a provisional decision on 8 September 2025. For ease I've copied the relevant extract below. I said:

*"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*In his dealings with LV Mr A has made many points over a considerable period of time. I've considered everything on file. However, in line with our usual process, I will only be looking at events up to the date that LV issued its final response to Mr A's complaint. And in this decision I don't intend to address each and every issue raised during the claim and repair journey. Instead I have focused on what I see as being the key issues at the heart of Mr A's complaint and the reasons for my decision.*

#### Authorising repairs

*Mr A's complained that LV didn't contact him before authorising repairer V to fix his car. He's said that he was only asking for a 'second opinion'.*

*I've listened to the call when LV told Mr A that it deemed his car uneconomical to repair. And he was clearly unhappy with that decision. On more than one occasion he said he didn't agree with that and asked for a second opinion. He specifically asked LV to take the car to repairer V. LV told him that it would, but that it wasn't one of its approved repairers.*

*Mr A's since said that he was expecting LV to discuss the repairs required with him before it authorised repairer V to go ahead. But I'm not sure on what basis he expected that to happen. LV didn't at any point indicate that it would seek Mr A's approval before authorising repairs.*

*Further, given Mr A was quite clear that he didn't agree with LV's opinion that his car was uneconomical to repair, then the only other option would have been to arrange repairs. In this case repairer V provided its repair estimate that was considerably lower than the estimate from LV's approved repairer. And on the basis of that estimate, which one of LV's engineers approved, LV deemed the car economical to repair. So it instructed repairer V to carry out the work needed.*

*As I've already said, Mr A was clear that he didn't want his car to be deemed a total loss. And his policy entitles LV to decide how to settle a claim. So, given the later evidence before it, which was the car was repairable, I wouldn't have expected it to deem the car a total loss. Again, LV wasn't required to seek Mr A's permission in order to instruct repairs or to discuss the matter with him. In those circumstances I don't think it did anything wrong.*

#### Quality of repairs

*Mr A has clearly been unhappy with the standard of repairer V's work. And it's not in doubt that it had to carry out further work on the car. But I don't think LV is responsible for the quality of repairer V's work.*

*I'll explain that, like most motor insurance providers, LV uses a network of approved repairers. When instructing one of those garages to repair vehicles, LV will guarantee the*

quality of that work. But repairer V was not one of LV's approved repairers. And it was Mr A and not LV that asked for the car to be taken to repairer V. In those circumstances, LV isn't responsible for the quality of the work, or the time taken to complete it, because it was Mr A's choice to take the car there.

#### Arranging further repairs

After receiving the car back Mr A remained unhappy that the repairs were not carried out satisfactorily and he paid for garage L to do a diagnosis. Mr A's account is that LV told him it would reimburse him the £300 he paid for that diagnosis. In contrast LV told us it would only pay for the diagnosis if it showed the work required was accident related. LV said the reports showed that the required repairs were not accident related. However, I disagree that's what the evidence shows.

LV's own engineer noted that the 'rattle' under the car could be accident related. However, despite that finding, it didn't reimburse Mr A for the diagnostic. Neither did it take any further action to respond to Mr A. It was only after Mr A contacted it some months later that it took steps to appoint the independent engineer. The independent engineer also found that further work was required to address the rattle and concluded that this was accident related.

Further, another entry on the diagnostic says:

**"...due to crash** exhaust doesn't sit right"

I've added the emphasis above but it's quite clear that when garage L said "due to crash" it was referring to the accident. Also, the independent engineer found two issues with the exhaust that required further repair. So, it's not correct for LV to say that garage L's diagnostic didn't find accident related damage when it plainly did. In those circumstances I think it's fair that LV should reimburse Mr A for the cost of the diagnostic.

I'll add that Mr A also said the independent engineer cancelled a number of appointments and as such he had to pay an additional fee to the garage where the car was due to be inspected. I understand that LV initially arranged for the inspection to take place at repairer V's garage. That could have taken place free of charge. It was Mr A's choice to take the car to a different garage which he said charged him. There's no evidence on LV's file of Mr A raising any issue with LV at the time concerning an engineer cancelling appointments. However, if he can provide evidence to LV that the garage charged him specifically because the engineer cancelled, rearranged or was late for an appointment, then LV should consider reimbursing that charge.

But I don't think all of the issues Mr A complains about were accident related. For example he has complained on a number of occasions that the car's AC did not work properly after the crash. So he, understandably, attributed that problem to the crash. But I've seen that LV had the matter investigated. It took the car to one of the manufacturer's specialist garages which said that the problem:

"is a very common issue on these vehicles and would have had nothing to do with the reports accident/works the vehicle has recently undergone."

So, given this evidence I don't think LV did anything wrong by concluding that the AC issue was not accident related.

I understand that garage L has since repaired the AC and its report suggested that the issue could be related to the repairs. But I note the comments are that garage L 'suspect[ed]' that could be the cause of the issue. So the cause could also have been something else. Also as Mr A has now had the work completed, this is not something which can be further investigated. It follows that I don't think LV needs to take any further action on that point.

I'll briefly add that Mr A has continued to raise issues about the quality of the repairs. However, as he has raised some of those points since LV issued its response to his complaint in December 2024, I don't intend to address those in this decision.

### Other issues

*I note that Mr A has raised other issues about LV's service. For example, that it didn't reply to him after he sent it garage L's diagnostic (I've commented on this issue above). Also LV suggested that some of the ongoing issues were not accident related and were in fact new. It said that Mr A had travelled a further 4,000 miles in the car since the crash. However, when the car was involved in the accident in January 2024, it had done 73,772 miles. When garage L inspected the car towards the end of May 2024, it had recorded mileage of 74,902. So the car had only travelled a further 1,133 miles since the crash. Considerably less than the 4,000 LV said he'd travelled. I can understand why Mr A was concerned by LV's suggestion that he had done additional damage to the car since the initial incident – especially when some months later, the independent engineer confirmed that there was further work required relating to the accident.*

*Additionally I've noted that Mr A raised a number of issues with LV when he complained. But LV chose not to address those in its complaint response. For example, amongst other things, Mr A complained that LV had sent him a request to pay an additional premium. He also complained that it had provided him with a hire car that was too small for him, so caused him some discomfort. But as far as I can see LV didn't ever address those points head on. It hasn't provided an explanation for those omissions and I can understand that has added to Mr A's frustration.*

*LV has previously acknowledged some of its mistakes and paid Mr A £300 compensation. But I don't think that amount fairly recognises the significant inconvenience caused to Mr A. The matter has gone on for many months. During that time, there were periods where LV either took no action or denied that further action was required when that wasn't correct. In those circumstances I think it should pay a further £200 compensation to take the total to £500 in recognition of the additional distress and inconvenience Mr A suffered.*

*I'll add that I'm aware Mr A now thinks LV should declare his car a total loss. But I don't think that's reasonable. It was Mr A's choice to ask for a second opinion and that opinion was that the car was repairable. Further, LV arranged for an independent engineer to assess the car and also had one of the manufacturer's specialists consider the AC issue. I'm satisfied that at the time LV issued its final response to Mr A's complaint, it had repaired the accident related damage."*

I then set out the steps LV should take to put things right including reimbursing Mr A for some out of pocket expenses and adding interest to sums reimbursed.

### **Developments**

Both LV and Mr A replied to my provisional decision. LV accepted the majority of my findings and my award to put things right. But, on the matter of interest payable for Mr A's out of pocket expenses for the diagnostic report and garage charges it said that Mr A had had plenty of time to submit evidence of paying for those things. So it didn't think it would be fair that it should have to pay interest on those sums.

Mr A raised a number of issues. I've summarised what I see as being the key points in my findings below. However a number of these were things which I considered when arriving at my provisional decision. Others were not matters that he'd put to LV before it issued its final response to his complaint in December 2024.

### **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.

As I've said above, in his response to my provisional decision Mr A has continued to raise issues that were not before LV when it issued its final response to his complaint. So, in line with our usual process I do not intend to make findings on those matters here. Instead I will

only be addressing the points that I think LV had the reasonable opportunity to reply to before 9 December 2024.

Mr A said that the car had sentimental value and this context should be considered. But this is something I was aware of when I arrived at my provisional decision. It doesn't affect my findings on LV's actions.

Mr A also said that LV repeatedly assured him engineers would call him to discuss the repairs in detail. I haven't listened to every call Mr A had with LV. But I have listened to the call when LV agreed, at Mr A's request, to move the car to repairer V to allow it to provide a repair estimate. And LV didn't at that time tell Mr A that an engineer would discuss the repairs with him prior to authorising those. So, as I said in my provisional decision, I don't think LV did anything wrong when it authorised repairs without discussing the matter with Mr A.

Mr A's also commented that repairer V made promises to discuss repairs with him but didn't do so. However, as I said in my provisional decision, repairer V was not one of LV's authorised repairers and it only moved the car there because Mr A asked it to. So LV is not responsible for repairer V's actions.

Commenting on repairer V's estimate Mr A said that it was under £6,000 and raised questions about the quality of parts etc. However, one of LV's engineers was happy with repairer V's estimate. And I'll repeat that it was Mr A's choice to ask repairer V to quote for the repairs. So I don't think this is a point I need to revisit.

Mr A has again referred to a number of issues that I considered as part of my provisional decision. Amongst other things those include: repairer V returning the car when it required more work, LV's comments about Mr A travelling a further 4,000 miles when he hadn't done so, an engineer cancelling appointments; garage L's findings in May 2024, and paying for further work to the car's AC. I've looked carefully at what he's said but none of his recent comments raise new points that would cause me to revisit my provisional findings.

Mr A's told us that LV had valued the car at almost £15,000 but that he was 'forced' to sell it, for only £6,350. But I'll repeat that it was Mr A's decision not to accept LV's offer to settle the claim on a total loss basis. It was also Mr A's request for repairer V to carry out the repairs. And LV isn't responsible for any issues that are not accident or repair related. Nor was it responsible for Mr A's decision to sell the car. So, I don't intend to instruct it to take further action in that regard.

Turning to LV's comment that Mr A hadn't previously provided it with evidence of his outlay for garage L's diagnostic work or for the costs of a local garage's time - so it didn't think it should pay interest on those sums. First I'll comment that Mr A had given LV garage L's invoice for the work. But LV told us it had refused to reimburse him not because of a lack of evidence but because it, incorrectly, said that the report showed the further repairs required were not accident related. I explained in my provisional decision why that conclusion was wrong. And, as far as I'm aware LV didn't ever ask Mr A for evidence of payment. But in any event Mr A has now provided us with evidence that he paid garage L £299.48 by card on 24 May 2024. So I think it's fair that LV refund that sum and add simple interest to it as set out below.

Similarly, as I said in my provisional decision, Mr A had previously raised the issue of cancelled engineers appointments with LV causing him to pay a garage for its time. But it had not responded to that point. Again it did not ask him for evidence of payment at that time. So, if Mr A can submit the appropriate evidence now I think it's fair that LV reimburses him and adds simple interest to that sum.

### **Putting things right**

I require LV to take the following action:

- Refund to Mr A the £299.48 he paid to garage L on 24 May 2024 for its diagnostic.
- If Mr A can provide LV with evidence of paying a garage an additional sum specifically because an engineer didn't attend the appointment at the appropriate time, it should consider reimbursing that amount.
- LV should add simple interest at a rate of 8% a year to any sum it reimburses from the date(s) Mr A paid the sums initially to the date it reimburses him<sup>1</sup>.
- Pay Mr A a further £200 compensation to bring the total compensation figure to £500.

### **My final decision**

I uphold this complaint and direct Liverpool Victoria Insurance Company Limited to take the actions set out under the heading 'putting things right' above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 22 October 2025.

Joe Scott  
**Ombudsman**

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<sup>1</sup> If LV considers that it's required by HM Revenue & Customs to take off income tax from that interest, it should tell how much it's taken off. It should also give a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.