

The complaint

Mr C has complained that Liverpool Victoria Insurance Company Limited (LV) hasn't properly completed repairs to his car following a claim under his car insurance policy.

What happened

Mr C was involved in an incident with a third party vehicle. He says the claim was settled as a non-fault claim as the other driver was responsible for the incident.

LV arranged for Mr C's car to be repaired. On return from the approved repairer (AR), Mr C found a new noise coming from the ventilation system and contacted the AR.

An engineer on behalf of LV carried out a visual inspection of Mr C's car at his home address. They said the noise was coming from the heater fan unit and wasn't related to the incident.

LV said it would reconsider the matter if Mr C provided a diagnostic report from a dealership garage.

Mr C obtained a report from a dealership garage. He sent a copy of it to LV. The dealership engineer said that after removing the glovebox, they could see the heater blower was loose and that this would not have loosened on its own. The dealership engineer said it could have been disturbed while having repair works or by the impact of the accident.

LV reviewed the diagnostic report but disagreed with it. LV's engineer said he discussed his view with the dealership garage, and they said they would require further investigation to strip out the car. LV's engineer also found from researching online that this was a common fault with the type of car Mr C owns.

So LV didn't agree the issue was incident or repair related and didn't reimburse Mr C for the costs he paid of £150 for the diagnostics report.

Mr C complained to LV. He wanted an independent inspection of his car and reimbursement of the fee he paid for the dealership report. But LV didn't uphold his complaint. So Mr C asked us to look at his complaint.

One of our Investigators thought Mr C's complaint should be upheld. He found Mr C had provided reasonable evidence from the dealership garage. He didn't find LV's rejection of the report to be fair and thought the dealership's report carried more weight than that of LV's engineer.

The Investigator recommended LV do the following:

- refund the diagnostic report fee Mr C paid for plus 8% simple interest.
- Arrange a thorough independent assessment, to determine whether the loose heater blower is associated with the collision impact (or repair)
- Pay Mr C £150 in compensation for the time taken to resolve this issue and its

impact.

LV didn't agree. It asked if Mr C had arranged and paid for his car to be stripped down for further investigation as advised in the diagnostic report – and if so, what the outcome was.

The Investigator explained that his recommendation was for LV to pay for an independent inspection as it had failed to properly inspect Mr C's car when he first raised the issue.

LV said it would cover the costs of a diagnostic report if it was conclusive. But as the dealership garage said they would need to carry out further investigation to determine the cause, it doesn't agree with the view. LV's engineer provided a diagram of a car and the location of the heater to the dashboard. LV's engineer provided alternative reasons as to the cause of the noise. They believe the issue is likely a wear and tear and not repair or impact related.

LV would like an ombudsman to decide. It has asked if it agrees to strip down the car and identifies the issue as wear and tear, is Mr C responsible for the costs.

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 C identified a new noise coming from his car and reported it immediately to the AR. He then followed LV's instruction following a visual inspection of his car and obtained a report from a dealership garage.

On providing LV with the dealership garage report, LV disputed the outcome. The dealership reported;

“Confirmed customer complaint. Aircon noisy on speeds 3 & 4. Removed glovebox to check nothing caught in motor. Can see heater blower is loose which would not work itself loose on its own. This could have been disturbed whilst having insurance repair work carried out or impact of accident.

To assess vehicle further would require three hours strip dash (dashboard) out and investigate further.”

I agree with the Investigator that LV's inspection of Mr C's car was visual and no dismantling or further investigation took place when deciding the noise wasn't incident or repair related. From the dealership garage report, the glove box was removed and so their initial inspection was at least more investigative than LV's.

Mr C provided a report from a dealership as requested by LV. I find it carries sufficient weight to be properly considered and LV should therefore reimburse Mr C for the costs of that report. I don't find LV did enough to properly investigate Mr C's concerns.

LV's engineer has provided a list of possible alternative reasons for the noise: they say Mr C's car has travelled high miles and therefore this is more likely to be a wear and tear issue.

I don't consider the mileage travelled to be high for a car of this age (four years old). In light of the way LV has handled the claim, I don't think it reasonable to ask Mr C to pay the costs of an independent inspection irrespective of the outcome, in light of the reasonable evidence he provided which LV rejected.

It's clear that LV's handling of Mr C's claim has caused him distress and inconvenience. He has been put to the trouble of obtaining a dealership report and the costs without a fair outcome. So I think LV should pay Mr C £150 compensation. This is in line with awards we give in similar cases. Further details can be found on our website.

My final decision

My final decision is that I uphold this complaint. I require Liverpool Victoria Insurance Company Limited to do the following:

- Reimburse the diagnostic report fee Mr C paid for.
- Pay interest on the amount from the date Mr C paid to the date of reimbursement at a rate of 8 % simple interest a year.
- Arrange a thorough independent assessment, to determine whether the loose heater blower is associated with the collision impact (or repair)
- Pay Mr C £150 in compensation for the distress and inconvenience caused.

Liverpool Victoria Insurance Company Limited must pay the compensation within 28 days of the date on which we tell it Mr C accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

If Liverpool Victoria Insurance Company Limited considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mr C how much it's taken off. It should also give Mr C a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 3 February 2026.

Geraldine Newbold
Ombudsman