

The complaint

Mrs P is complaining about Liverpool Victoria Insurance Company Limited (LV) decision to accept liability following an accident her named driver was involved in, under her motor insurance policy.

Mrs P was represented by a relative when she referred her complaint to this Service, but for ease of reference, I'll refer to Mrs P throughout as she is the complainant.

What happened

In May 2025, Mrs P's vehicle was involved in an accident. Mrs P explained at the time the named driver was pulling away from a parking space, when a large van hit him from behind. After considering the available evidence LV decided Mrs P was at fault for the accident. It concluded it was unable to prove the named driver wasn't at fault and so said it couldn't defend the claim if it were to go to court. LV also referred to specific provisions of the Highway Code that covered checking it was safe before moving off and confirmed the onus was on the named driver to ensure it was safe to do so.

Mrs P was unhappy at LV's decision on liability, maintaining the named driver wasn't at fault for the accident and brought her complaint to us.

Our Investigator recommended the complaint should be upheld. They didn't think LV had been fair and hadn't done enough before admitting liability. They recommended LV treat the claim as no fault and pay compensation of £200 for the distress and inconvenience. LV replied asking for an Ombudsman to review its complaint, so the complaint has come to me for a final decision.

I issued a provisional decision and didn't uphold Mrs P's complaint as follows:

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

Firstly, I acknowledge I've summarised Mrs P's complaint in less detail than she's set out. Our rules as an informal dispute resolution service allows me to do that. I would like to assure Mrs P and LV I have read and considered everything all parties have provided. However, my provisional decision focuses on what I consider to be the key issues. And having done so, I'm not upholding this complaint. I'll explain why.

Mrs P doesn't think it's fair for her to be liable for the claim, she maintains the named driver was pulling away from the parking space at the time the third-party hit him.

I acknowledge what Mrs P has said about the circumstances of the accident - that she wasn't at fault for the accident. I don't doubt the strength of her feeling on this issue. But it isn't our role to decide who was responsible for causing the accident. This is the role of the courts. Instead, our role in complaints of this nature is to investigate how the insurer made the decision to settle the claim. Did it act fairly and reasonably and in line with the terms and conditions of the policy?

Mrs P's policy allows LV to take over, defend, or settle any claim under the policy. This is a common term in motor insurance policies, and I do not find it unusual. However, we expect an insurer to reasonably investigate a claim and consider the evidence available before making its decision on liability.

I've taken into account Mrs P's comments – in particular, the named driver was pulling out of a space and the third party hit him. In the circumstances, I don't think it was unreasonable for LV to conclude Mrs P was liable for the accident. LV has referred to the provisions of the Highway Code that placed the onus on the named driver to ensure the road was completely clear and it was safe to do so. While Mrs P has said it wasn't the fault of the named driver and the third-party hit him, LV asked the named driver for their version of events to help them understand what happened. It also set out that there wasn't any independent evidence to prove this was the case. And I don't think it was unreasonable for it to have concluded as such. So whilst, LV was unable to obtain any further information from the third-party, I'm satisfied they did everything I would reasonably expect it to do to fairly investigate the claim.

LV considered the evidence and thought it would be unlikely to successfully defend the matter in court. So it admitted liability, and it was entitled to do so under the policy's terms and conditions. Whilst I acknowledge Mrs P doesn't agree with LV's decision to settle, as I said above, it was entitled to make the decision to do so, and I'm satisfied LV has taken the named driver's testimony and evidence into account before it reached the decision it did. I don't think LV has acted unfairly by accepting liability for the claim on a without prejudice basis.

My provisional decision

My provisional decision is that subject to either party providing me with further evidence. I don't intend to uphold this complaint.

Responses to my provisional decision

Mrs P hasn't responded to my provisional decision.

LV acknowledged my provisional decision and had no further comment to make.

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.

Having done so, and as Mrs P hasn't responded to say she accepts or rejects my provisional decision, I see no reason to reach a different conclusion.

So this final decision confirms the findings set out in my provisional decision that I do not uphold Mrs P's complaint.

My final decision

My final decision is that I do not uphold Mrs P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 18 May 2026.

Lorraine Ball
Ombudsman