

The complaint

Miss A has complained that Admiral Insurance Company Limited or its repair management agents failed to provide her with a courtesy car under her motor policy following an accident.

What happened

Miss A was involved in a road traffic accident where her car was damaged. She made her claim to Admiral on 10 November 2021. Admiral decided to involve its 'sister' management repair company (MRC) to arrange the repairs for her car and to supply her with the courtesy car her policy said she was entitled to.

The garages used by the MRC didn't have an automatic courtesy car available so whilst Miss A's car was repaired and she paid her excess, she complained about the lack of the courtesy car.

The MRC upheld her complaint but provided no redress, so Miss A brought her complaint to us.

The investigator was of the view that Admiral were ultimately responsible, and it should pay Miss A £300 compensation. Admiral didn't agree it was responsible or that it should pay Miss A any compensation, so Miss A's complaint has been passed to me to decide.

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, I'm upholding this complaint. I'll now explain why.

It's very clear Admiral merely asked the MRC or its 'sister' company as Admiral described it as to Miss A, to organise and manage the repairs of her car. Miss A paid her excess too. So, this wasn't a credit hire agreement where Miss A's entire claim was passed on to a credit hire company, with Miss A's agreement and understanding that her claim wasn't now being dealt with by her insurer, namely Admiral.

Here Admiral merely decided to instruct its 'sister' company as it likes to call it, to arrange the repairs of Miss A's. That arrangement merely means the MRC is acting as Admiral's agent. Admiral remains liable to Miss A for everything that this MRC does in relation to Miss A's claim under her policy. There was no dilution or alteration of the policy terms that existed between Miss A and Admiral. If the MRC did anything wrong that's a matter for Admiral to sort out itself with the MRC being its own agent and it doesn't concern Miss A.#

The MRC upheld Miss A's complaint thereby noting it was wrong for Miss A not to be afforded a courtesy car. The courtesy car Miss A was entitled to under her policy with Admiral is as follows:

‘Our approved repairers, or another company instructed by Admiral will:

- arrange collection and re-delivery of your vehicle*
- give you a courtesy car while your vehicle is being repaired.’*

Miss A said she needed an automatic car because it was what she normally drove. It’s clear from the MRC’s file that no automatic car was available from either the two repairing garages it involved in the repair of Miss A’s car.

Normally we wouldn’t expect any courtesy car in instances where a car was being repaired like Miss A’s was, to be no more than a small usually manual car, but here no one explained that to Miss A or frankly just dealt with her policy entitlement for a courtesy car whilst her car was being repaired.

Therefore I agree with the investigator’s recommendation that Admiral should pay Miss A £300 for the upset and inconvenience it and its agents the MRC caused her by failing to provide her with a courtesy car when her own was being repaired as part of the terms of her motor policy with Admiral.

My final decision

So, for these reasons, it’s my final decision that I uphold this complaint.

I now require Admiral Insurance Company Limited to pay Miss A the sum of £300 compensation for failing to provide her with a courtesy car which she was entitled to under her policy.

Under the rules of the Financial Ombudsman Service, I’m required to ask Miss A to accept or reject my decision before 11 October 2022.

Rona Doyle
Ombudsman