

The complaint

Miss S complains about how Admiral Insurance (Gibraltar) Limited (“Admiral”) dealt with a claim for damage under her motor insurance policy. When I mention Admiral I also mean its repairer.

What happened

Miss S had a motor insurance policy with Admiral.

In July 2022 she collided with an animal causing damage to her car. She reported the collision to Admiral and made a claim.

Her car was driveable but needed repair. It was repaired during October by one of Admiral’s approved repairers and returned to Miss S in November.

About three weeks later an engine warning light came on in her car. Admiral’s repairer took the car back and investigated the light. This took until about February 2023. Then Admiral said the warning light wouldn’t be covered as part of the claim and Miss S was told she’d need to pay over £600 for the diagnostic work involved. This fee was waived when Miss S complained.

Admiral took about three more weeks to return her car. It agreed to pay Miss £100 compensation.

Miss S remained unhappy and brought her complaint to this service. She complains about Admiral’s poor communication with her and the extra costs and stress she’s had from not having a car. She’s also unhappy about being asked to pay the further investigation costs.

Our investigator looked into her complaint and upheld it. He said he thought Admiral’s service should have been better, but Miss S still had her car during most of the claim and it was driveable. Miss S provided receipts for journeys she made during the delays which amounted to about £100. So he thought Admiral should pay an additional £100 for Miss S’s transport costs.

Miss S didn’t accept the view and asked that her complaint was reviewed by an ombudsman. So it’s been passed to me to make a final decision.

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.

In later correspondence, Miss S said she’d not been offered a courtesy car during her claim. I can’t see that she’s raised this issue with Admiral or it’s provided her with its final response, so I’m not able to consider this in my decision. If Miss S is unhappy about this then she can make a new complaint to Admiral and this service in due course if she remains unhappy.

I can also see that Miss when S approached this service she included in her complaint

information about her car's engine warning light. From the file, I can see that she raised this with Admiral, but again I can't see that it included this in its final response letter. But Admiral has dealt with 'delays' during her claim and its poor communication.

Although I can't see this specifically in the final response, I think it's reasonable that I mention what happened to the engine warning light in my decision because it impacted Miss S's claims experience, and the delays getting her car back have been included in the view.

The collision with the animal caused significant damage to the front of Miss S's car, but it was still driveable and usable. About two months after the collision Miss S had the car serviced. During the service the technician found an unplugged cable. When rectified, this extinguished the engine warning light.

Shortly after, the damage was repaired by Admiral. About three weeks later, the engine warning light re-appeared. This also affected the car's performance, which is most commonly referred to as a type of 'limp-home' mode.

Admiral's approved repairer re-inspected the car and then took it to the manufacturer who carried out a further investigation. It emerged that the error was caused by a bad connection in the engine bay affecting coolant flow. It said this was caused by corrosion rather than impact damage.

This in turn meant Admiral didn't cover the cause of this engine warning light under the terms of its policy as it wasn't caused by the collision.

When extra costs are incurred during an insurance claim, they'll often be because further information is needed either on behalf of the claimant to show that the damage was covered, or on behalf of the insurer to show why a claim wouldn't be covered.

In this case, I can see it was Admiral's choice to take the car to the manufacturer for further assessment. I can see from the file that this charge was waived by Admiral which I think is fair and reasonable.

So I'm left to consider Admiral's communications with Miss S and the delay returning her car to her.

I can see from the file that Admiral's repairer didn't keep Miss S informed during the latter part of the process while the engine warning light was being investigated. She was promised calls back which didn't arrive, and even when the car was ready there was a specific issue about not being called in time to be able to collect it given her distance from the repairer.

Miss S was also incurring travel costs because she didn't have her car during this time and I can see she's provided receipts showing these costs.

I've considered her distress and inconvenience during these delays and I can see Admiral has paid £100 for this. But I think Admiral should also pay for Miss S's travel costs during the period she didn't have her car due to the delays getting her car ready to return to her. These total about £100 so I think it's fair that Admiral pay this amount in addition to the compensation it's already mentioned.

My final decision

For the reasons set out above, my final decision is that I uphold this complaint. I direct Admiral Insurance (Gibraltar) Limited to pay Miss S a total of £200 compensation for her distress and inconvenience and the costs she incurred. It's my understanding that £100 as

already been paid, so this can be deducted.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 18 October 2023.

Richard Sowden
Ombudsman