

The complaint

Mr B has complained that Admiral Insurance (Gibraltar) Limited has refused to pay his claim under his Car Insurance policy for accidental damage to his car.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute, so I'll focus on giving the reasons for my 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.

Having done so, I largely agree with the conclusions reached by the investigator and I've set out my reasons for making Admiral pay for the repairs to Mr B's car, excluding replacing or repairing the seal on the sunroof.

- Industry rules set out by the regulator (the Financial Conduct Authority) say insurers must handle claims fairly and shouldn't unreasonably reject a claim. I've taken these rules, and other industry guidance, into account when deciding what I think is fair and reasonable in the circumstances of Mr B's complaint.
- Mr B's policy covers loss or damage to his car and he has claimed for damage to his car caused by water getting into it through the sunroof. So, as I see it, the damage caused by the water is covered and Admiral should pay the cost of repairing it.
- Mr B's policy excludes damage caused by wear and tear and malfunction. And it seems the seal on the sunroof failed due to a manufacturing fault, which I think means it malfunctioned. So I don't think the repair or replacement of the seal itself is covered by Mr B's policy; so I am not going to make Admiral pay for this.
- However, Admiral can deduct the policy excess from the amount it pays Mr B as this I payable on claims for damage to Mr B's car.
- As Mr B paid the repair invoice some time ago, I also consider Admiral should pay him interest on the amount due to him at 8% per annum simple from the date he paid for the repairs to the date Admiral reimburses this amount. This is to compensate Mr B for being without this money.

Putting things right

I have seen an estimate for the repairs to Mr B's car of £4,197.48, which was provided by Admiral. And this doesn't appear to include repair or replacement of the seal itself. Mr B has said it cost £4,630 to repair his car, but I have not seen an invoice for this amount. However, as I have already explained, I consider Admiral should pay what it cost to repair the damage to Mr B's car caused by the seal on his sunroof failing (but not the repair of the seal itself), less the policy excess. But this is subject to Mr B providing Admiral with an invoice to show what he paid for this.

I also consider Admiral should pay Mr B interest on the amount due to him at 8% per annum

simple from the date he paid for the repairs to the date Admiral pays him this amount.

My final decision

My final decision is that I uphold Mr B's complaint and order Admiral Insurance (Gibraltar) Limited to do what I've set out above in the 'Putting things right' section.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 2 November 2023.

Robert Short
Ombudsman