

The complaint

Miss L and Mrs L complain about how Admiral Insurance (Gibraltar) Limited (“Admiral”) handled repairs following a claim for a replacement windscreen under their car insurance policy.

What happened

Miss and Mrs L had a motor insurance policy with Admiral covering Miss L’s car.

In October 2022 the windscreen broke and they made a claim from Admiral. Under Admiral’s policy, the windscreen replacement would be handled by Admiral’s contractor. This is a third-party company who I’ll refer to as “A”.

A replaced the broken windscreen. Miss L then found A had damaged various parts of the car, apparently because A had used the wrong device when it removed the windscreen.

Miss and Mrs L complained. A sent engineers who assessed and tried to fix the damage. They couldn’t do so, and Miss and Mrs L were told they could accept compensation, or the damage could be repaired.

Miss and Mrs L obtained a quote to repair the damage at a cost of £2,319.05. Admiral offered them the choice of a payment of £1,500, or it would repair the car using its own repairers. Miss and Mrs L took the car to one of Admiral’s nominated repairers and it quoted £3,092.06, which later rose slightly.

Miss and Mrs L remained unhappy and brought their complaint to this service. Our investigator upheld it and said Admiral should pay for the repairs.

Admiral didn’t respond to the view, despite asking for an extension to review it.

Because Admiral didn’t respond, this complaint has 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.

I issued a provisional decision because I generally agreed with the view, but awarded a further amount for Miss and Mrs L’s distress. This is included below:

It’s important that I say that A accepted that the initial work done by it caused damage to the car. But Miss and Mrs L’s policy is with Admiral, which uses A as its preferred supplier to carry out windscreen related work. Admiral has said Miss and Mrs L need to deal directly with A about this situation, but I can see from the file this has simply caused more confusion.

The contract of insurance is between Miss and Mrs L and Admiral.

For the avoidance of doubt, Miss and Mrs L were making a claim under their car insurance policy with Admiral so their claim is Admiral's responsibility to deal with. A has acted on Admiral's behalf. A has accepted it caused the damage. Therefore Admiral needs to take responsibility for it.

In later correspondence, Miss and Mrs L have proposed an alternate solution of a partial repair, plus cash-in-lieu of a repair for the remainder, and the refund of the excess totalling £2,175.61. They also point out that no compensation for their distress and inconvenience has been taken into consideration.

The damage caused by A hasn't been disputed by Admiral or A. I can see that both parties seem to agree that the damage would be made good. What seems to be the issue is that A has been involved in the correspondence and there have been disagreements about the size of the payment that needs to be made.

When liability is accepted in a case like this, I would expect that Admiral would take reasonable steps to put things right.

I can appreciate how confusing this must be to Miss and Mrs L. They have been asked to get quotations for repair from Admiral's approved repairer, but when they have done this, the quotation has been rejected. I don't think Admiral has acted fairly here.

The reasonable thing to do here is for Admiral to put right the damage A caused. Miss and Mrs L have said they would accept a payment of £2,175.61 which I've mentioned above. They can stand by this offer if they wish, which will allow them to selectively repair parts of the car and account for some depreciation, as well as the return of their excess.

Or they can have the damage repaired by Admiral's approved repairer.

I've also considered the distress and inconvenience Miss and Mrs L have been caused. I can see that Miss L in particular has been very upset by the damage caused to the car, and Admiral has missed several opportunities to remedy the situation.

I think it's fair that Admiral pay £200 compensation to Miss and Mrs L for their distress caused by Admiral's poor service.

Responses to my provisional decision

Miss and Mrs L responded and accepted my provisional decision. They asked that they receive payment of £2,175.61 from Admiral, in addition to the £200 compensation.

Admiral didn't respond.

What I've decided – and why

Because Miss and Mrs L accepted my provisional decision and Admiral didn't respond to it, my final decision and reasoning remains the same as in my provisional decision.

My final decision

It's my final decision that I uphold this complaint. I direct Admiral Insurance (Gibraltar) Limited to pay Miss and Mrs L:

- £200 compensation for their distress and inconvenience, and

- £2,175.61 in respect of the repairs, depreciation and return of the excess.

Admiral Insurance (Gibraltar) Limited must pay the amount within 28 days of the date on which we tell it Miss L and Mrs L accept my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L and Mrs L to accept or reject my decision before 7 September 2023.

Richard Sowden
Ombudsman