

## **The complaint**

Mr C complains Admiral Insurance Gibraltar Limited (Admiral) gave a poor standard of service which caused delays to his claim, and it did not provide him with a courtesy vehicle after he made a claim on his motor insurance policy.

There are several parties and representatives of Admiral involved throughout the complaint but for the purposes of this complaint I'm only going to refer to Admiral.

## **What happened**

In November 2022 Mr C had an incident whilst driving his van. He contacted Admiral to notify it of this incident and said he would be in touch if he needed to make a claim.

Mr C organised for his van to be recovered to a garage and the garage found the engine needed replacing, so on 16 November 2022 he made a claim on his motor insurance policy.

Mr C's van was collected on 26 November 2022 by Admiral's approved repairer and was found to be a total loss. Admiral then sent it for an independent assessor to determine if the damage found was accidental damage or mechanical failure. The independent assessment was completed on 22 December 2022.

Mr C said he had to contact Admiral numerous times to chase up on progress. Each time Admiral said it would call him back with an update, but this did not happen. On 9 January 2023 Admiral confirmed the van was found to be a total loss. It said it would be in touch with a settlement figure.

As Mr C had not heard anything from Admiral he rang on 23 January 2023. Admiral said it was waiting for the finance settlement figure. Mr C sent this straight away.

On 24 January 2023 Mr C accepted the settlement amount offered by Admiral. Admiral settled the outstanding finance and said the remaining amount would be paid to him via bank transfer. This was finally received on 7 February 2023.

Admiral apologised for the distress and inconvenience caused to Mr C in relation to the delays caused and lack of updates given. It sent him £150.

As Mr C was not happy with Admiral he brought the complaint to our service.

Our investigator upheld the complaint. They looked into the case and said Admiral's compensation of £150 for distress and inconvenience was fair and in line with our services approach. They said whilst Mr C was not entitled to a courtesy vehicle, as Admiral caused delays to his claim this warrants a loss of use payment to him for approximately 50 or so days. They said Admiral should pay Mr C an additional £500 for this.

Admiral said as Mr C was never entitled to a courtesy vehicle that loss of use would not be a factor it considered as part of complaint resolution as Mr C was never entitled to one.

As Admiral is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

### **What I provisionally said**

#### **No provision of courtesy vehicle**

*I checked the terms and conditions of the policy. On page ten it says:*

*"A courtesy van will not be provided if your vehicle is*

- stolen*
- outside our territorial limits*
- beyond economic repair*
- repaired by an unapproved repairer."*

*Mr C was told by Admiral that a courtesy vehicle would only be provided during repairs by its authorised repairers and as his van was classed as a total loss, a courtesy vehicle did not need to be provided to him in this case.*

*I do not uphold this part of his complaint.*

#### **Service and delays**

- I saw at the start of Mr C's claim there was a delay in Admiral collecting his van and taking it to its approved repairer for the damage to be assessed.*

*Admiral accepted there had been a delay in getting his van collected. It said this was due to its approved repairers not having any space to get the van in to start the claims process.*

- I saw Admiral organised for an independent assessment of the van and there were further delays in this taking place. The assessment did not happen until 26 December 2022 and then there was a further delay until January 2023 for Admiral to make its decision that the van was a total loss.*

*Admiral accepted this should have been completed quicker.*

- I looked at the record of calls Mr C made to Admiral. I saw it was Mr C who had to chase Admiral for updates. I did not see any evidence of Admiral keeping him up to date with progress.*

*Admiral said it had backlogs that had caused the delays and recognised it did not meet Mr C's expectations. I understand Mr C's frustration in having to pursue the progress of his claim himself and being told he would get a call back by Admiral and then it not happening. Admiral could have been more proactive in keeping Mr C up to date on the progress of his claim.*

*In this case I Admiral accepted Mr C's complaint points regarding service and delays and offered £150 in compensation for the distress and inconvenience caused.*

*Although Admiral accepted the complaints regarding the service provided and delays caused to Mr C's claim, I do not think it has offered fair and reasonable amount in this case.*

*I understand a courtesy vehicle was not part of Mr C's policy, but there were multiple issues that meant Admiral took too long to settle his claim. I am satisfied that the delays were avoidable, and Mr C was without a van for longer than was necessary.*

*Mr C had to rely on using his wife's car, public transport and being given lifts to and from work during this time. He was provided with a van by the company he worked for in mid-January 2023.*

*Therefore in addition to the compensation already paid for the distress and inconvenience caused to Mr C, I intend to require Admiral to also pay him for loss of use of a vehicle during the delays it caused. A payment for loss of use is compensation for the fact that Mr C was without a vehicle when he shouldn't have been. In this case the delays together related to approximately 6 weeks, so I think a fair amount is £400.*

### **Responses to my provisional decision**

Mr C responded and said

- As I have stated the avoidable delays amount to six weeks, this is a total of 42 days and £10 per day should be the minimum given, In this case £420.
- The amount offered does not cover costs for travel or the amount of hours taken by him to progress the claim.
- He was disgusted that after he had accepted our investigator's view that Admiral disputed it. His opinion was that it was tactical to delay paying out any amount of compensation. He asked why he is not paid interest for the delay in compensation being paid for the admitted avoidable delays made.

Admiral did not respond.

### **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 response to Mr C's comments**

- In my provisional decision I mentioned the delays related to *approximately* six weeks. I maintain that £400 for loss of use is fair.
- The £400 to be paid for loss of use is in addition to the £150 compensation paid for the distress and inconvenience caused in relation to the delays and lack of updates given. They are separate amounts. I accept that Mr C may disagree, but I think the £150 paid was fair and in line with our services approach.
- A cheque for £150 was raised and sent to Mr C in March 2023, before he brought his complaint to our service. I have not increased this amount as I think the £150 paid was fair and in line with our services approach. Therefore I cannot ask it to pay interest as there was no delay in issuing this compensation.

Based on the evidence I've reviewed; I maintain my provisional decision and I uphold Mr C's complaint. I require Admiral to pay Mr C a total of £400 for loss of use of his van.

### **My final decision**

For the reasons I have given I uphold this complaint.

I require Admiral Insurance Gibraltar Limited to pay Mr C a total of £400 for loss of use of his van. This is in addition to the £150 already paid for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or

reject my decision before 31 October 2023.

Sally-Ann Harding  
**Ombudsman**