

The complaint

Ms N has complained about Admiral Insurance (Gibraltar) Limited. She isn't happy with the way it dealt with a claim under her motor insurance policy.

What happened

I looked at this case and provided my initial thoughts in my provisional decision as follows;

Ms N made a claim under her Admiral motor insurance policy after she was involved in an accident and her vehicle was declared a total loss. But she wasn't happy with the way it dealt with her claim, so she complained to Admiral.

Admiral accepted it got a number of things wrong and offered her £400 by way of compensation in acknowledgement of a number of failings including - not telling her that she could retain the salvage; that she didn't receive support when she was anxious about the insurance process; that it referred to her incorrectly during telephone calls; that it didn't respond to her in a timely fashion and she had to deal with multiple teams about her claim; that she asked to make a yearly premium payment as opposed to monthly; and that she was caused stress and had to see her doctor.

When our investigator looked into Ms N's complaint he upheld it. He agreed that Admiral had made a number of errors as it accepted, and he thought its offer of £400 compensation for most of this was fair. And he explained why he wasn't upholding a few of Ms N's further concerns. But he thought it should increase the level of compensation by a further £750 compensation for the failure to allow Ms N to retain the salvage of her car.

As Admiral didn't agree the matter has been passed to me for review.

What I've provisionally 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 agree the complaint should be upheld but I'm suggesting a different level of compensation to the amount put forward by our investigator. But before I finalise my decision I want to give both sides the opportunity to comment.

It is agreed that the general service provided by Admiral wasn't to the required level and this clearly caused Ms N a fair degree of stress and inconvenience. And as both sides appear to accept that £400 is a fair level of compensation for this I don't propose to go over the finer detail of this again now. I agree that Admiral should pay Ms N £400 for the failings identified.

Although I can understand why Admiral has responded to our investigator's opinion to say it isn't its process to offer retention of salvage to customers. But it has already acknowledged to Ms N in its Final Response Letter (FRL) and in the file notes that it should have allowed this to happen in Ms N's case when it upheld this point. Given this, I'll just focus on the level

of compensation offered and I think the additional £750 suggested by our investigator for this is a little high here.

I say this as I can't be sure Ms N would have gone ahead with the return of the salvage (her car) if it was offered given that she would have had to get the car repaired herself. And obviously this would have impacted on her ability to use the car and stay mobile for work.

However, the discussion on file suggests the damage to her car was mainly cosmetic so I think Ms N could've managed the repair herself so that she could stay mobile. So, although Ms N wasn't entitled to a courtesy car as her car was written off I think the possibility of retaining the salvage should have been explored with Ms N. And given her circumstances at the time she may well have chosen this path, especially as I've listened to the calls Ms N made about the claim when she made it abundantly clear that she had to have a car for work and the amount of stress not having a car caused.

Given all of this, I agree that Ms N should have been offered the possibility of keeping the salvage and should be compensated for this failing. It would appear that Admiral offered a small amount of compensation for its error, but I think £400 for this failing in addition to the £400 offered for the other failings and poor service feels fair (£800 total).

Replies

Both Ms N and Admiral didn't provide any comment or respond to my provisional 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 remain of the view that the complaint should be upheld for the reasons outlined above. As neither party responded to my provisional decision I don't propose to go over the finer detail of this complaint or rehearse the arguments again now.

Ultimately, I'm satisfied that Ms N should've been offered the possibility of keeping the salvage (her car) and that she should be compensated for this failing. And so, I think Admiral should pay £400 in addition to the £400 already offered for the poor service and failings identified.

My final decision

It follows, for the reasons given above, that I uphold this complaint. I require Admiral Insurance (Gibraltar) Limited to pay Ms N an additional £400 (£800 total) compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms N to accept or reject my decision before 8 December 2023.

Colin Keegan
Ombudsman