

The complaint

Miss J complains about Admiral Insurance (Gibraltar) Limited's (Admiral) poor service and not reimbursing her out of pocket expenses, following a claim under her motor insurance policy.

Any reference to Admiral includes its agents.

What happened

Miss J had an accident and made a claim on her motor insurance policy with Admiral. She submitted photos of the damage to her car, which was parked on her drive. Admiral initially told Miss J it would take around two working days for her car to be collected and for it to be written off.

Miss J said her car wasn't collected and written off until around a month later. Miss J explained she had been continually chasing Admiral, to get things actioned and was met with delays and miscommunications.

Miss J said she experienced further delays in getting her replacement car and in the meantime, she had to borrow a car to get to and from work. Because of this, she incurred extra fuel costs but was told by Admiral it wouldn't reimburse them.

Due to the poor service and because Admiral wouldn't reimburse the extra fuel costs, Miss J raised a complaint. In its final response, Admiral accepted the poor service and delays. It paid Miss J £125 compensation, for the trouble and upset this caused. Admiral also offered to reimburse Miss J her out of pocket expenses, provided she submit documentation confirming her financial loss.

Miss J referred her complaint to this Service for an independent review, because she remained unhappy as Admiral ultimately refused to reimburse her out of pocket expenses.

An Investigator considered the complaint and thought it should be upheld. She said Admiral had offered to pay the out-of-pocket expenses and Miss J had submitted her bank statements to show the additional fuel costs she incurred. A total of £134.93 was spent and she recommended Admiral reimburse Miss J this amount plus interest at 8%. She felt the £125 compensation already paid was fair - to resolve the poor service issues Miss J had experienced.

Miss J accepted the view. Admiral did not. It said because Miss J's car was deemed a total loss, extra fuel costs wouldn't be considered. But it accepted it agreed to pay this in the final response and said Miss J was advised to provide receipts to show expenses. It didn't agree bank statements were enough to support this.

As the matter couldn't be resolved, it has been passed to me for a 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 will uphold this complaint, for much the same reasons as the Investigator. And I hope my findings go some way in explaining why I've reached this decision.

Miss J explained following the accident, she had to borrow cars to get to and from work - because she lives in a remote area where public transport was limited. She provided information on the cars she used which were of a higher engine capacity than her own, she said this meant she spent more on fuel costs.

Miss J submitted copies of her bank statement which showed her expenditure to have increased by a total of £134.93. She said because Admiral told her it wouldn't reimburse travel expenses, she didn't retain any receipts.

In the final response Admiral stated:

'You have financial loss due to no car and working 30 miles from home with no access to public transport We would require documentation confirming the financial loss i.e. paperwork, emails or anything else you have which may be suitable. Once this is received, we will look to review the financial loss part of the complaint. '

I think Admiral accepted it would review the financial loss Miss J encountered. It listed various forms of documentation it would require. But it didn't accept the bank statements Miss J submitted. It said:

'If you have incurred any other losses due to the errors in handling your claim, you would like us to consider, please send evidence....We still do not feel the documents the customer has supplied is evidence to support financial loss due to our errors. There are no fuel receipts and we do not know what extra driving or travelling the customer may have done in these months compared to previous months costs, we still do not agree these payments on the bank statements prove it was spent on fuel and are too vague to support this. We feel the customer should have kept receipts for this fuel had they known they were going to provide evidence of this loss?'

I think the issue here, is what Miss J was told about retaining receipts to show the fuel she spent. Miss J explained she didn't retain any receipts and she had spent more on fuel than the bank statements showed - but wasn't able to evidence this.

Admiral accepts there were delays. The delays Miss J experienced were waiting for her car to be collected and written off. Also, there was further delay in her receiving her replacement car.

In the final response, Admiral offered to refund the out-of-pocket expenses. It asked for various documentation, so I'm satisfied this wasn't limited to only receipts.

Miss J said she wasn't told to retain receipts. So, I asked Admiral for copies of the call recordings in which Miss J said she was advised that fuel costs wouldn't be refunded. Having listened to the call recordings (12 in total), I agree Miss J wasn't told to retain receipts. But equally, none of the advisors during the calls, raised conversations about fuel expenses/costs and the need to retain receipts.

Miss J provided bank statements which showed the additional costs she incurred. She also provided statements which showed how much she had spent on extra fuel before the accident, as well as whilst she was waiting for the replacement car – a period of around two months.

As Admiral agreed there were handling errors during the claim. And agreed to consider the out-of-pocket losses provided Miss J sent in evidence in support, I think the bank statements provided support of the additional expenses Miss J incurred. So, I think it's fair and reasonable for Admiral to reimburse those costs.

In summary, I think it's fair for Admiral to refund Miss J's out of pocket expenses of £134.93. As I'm satisfied, she has shown the additional amounts, she spent, over and above her normal travel expenses, due to Admiral's delays.

Putting things right

To put matters right, I direct Admiral Insurance (Gibraltar) Limited as outlined below.

My final decision

For the reasons given, I uphold Miss J's complaint.

To put matters right, Admiral Insurance (Gibraltar) Limited to:

Refund Miss J's out-of-pocket expenses of £134.93

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 13 May 2024.

Ayisha Savage
Ombudsman