

The complaint

Mr W complains about the service provided by Admiral Insurance (Gibraltar) Limited when he made a claim on his motor insurance policy.

What happened

Mr W made a claim on his policy with Admiral for damage caused to his car by a pot hole. Admiral declined to repair some of this damage, and Mr W remained unhappy. So Admiral instructed an independent engineer to inspect the car. His report was inconclusive about whether the damage to the car's bodywork was consistent with the claimed-for incident, but he recommended that Admiral should pay for the repairs.

After the complaint came to us, Admiral had the repairs made. But Mr W was unhappy with his claim journey. Admiral issued eight final response letters upholding his complaints (two of which are time barred) about service failings. And it paid Mr W £575 in total compensation for the trouble and upset caused. But Mr W remained unhappy with Admiral's procedures and the overall way his claim was handled.

Our Investigator recommended that the complaint should be upheld in part. He thought Admiral had reasonably followed the report of the independent engineer and had the car repaired. And he thought Admiral had reasonably compensated Mr W for its service failings. But he thought it should pay Mr W £75 further compensation for the frustration and upset caused by the inconvenience caused in having his claim settled.

Mr W replied that he accepted this, but he thought Admiral should change its procedures. Admiral replied that it had acknowledged the service failings and compensated Mr W fairly for each of them.

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 can understand that Mr W felt frustrated that it took so long, over a year, for his car to be fully repaired. He said he wants Admiral to change its procedures. Whilst I can understand Mr W's frustration, it's not my role to tell businesses what procedures they should adopt. My role is to consider whether Admiral has acted fairly and reasonably and in keeping with his policy's terms and conditions.

Admiral has a responsibility to deal with claims promptly and fairly. I've looked at Mr W's claim journey and I can see that there have been a litany of errors. Like our Investigator, I've not considered those complaints dealt with by Admiral's final response letters sent earlier than six months before Mr W brought his complaint to us. These two earlier complaints are time-barred under the rules we must follow. But I have looked at the complaints Admiral responded to since December 2022.

In these six complaints, I can see that Admiral has accepted that it provided a poor level of service. Mr W was given conflicting information, arrangements weren't followed up, communication was poor, there were long call hold times, call notes weren't made, and there were avoidable delays in progressing the claim.

There was a dispute about whether or not the bodywork damage was related to the pothole incident. We think in such circumstances an independent assessor should be appointed to provide a resolution. And I'm satisfied Admiral reasonably instructed an independent assessor.

I can see that his report advised that Admiral should pay for the repairs. but it took ten months for these repairs to be made and the car returned to Mr W. And Admiral upheld many of Mr W's complaints about its level of service during this time.

When a business makes mistakes, as Admiral accepts it has done here, we expect it to restore the consumer's position, as far as it's able to do so. And we also consider the impact the errors had on the consumer.

Admiral paid for the repairs to be made and I can see that it compensated Mr W for the cost of some of his phone calls. So I think that reasonably restores Mr W's position.

In terms of impact, Admiral paid Mr W £575 in total compensation for its poor level of service from December 2022 until October 2023. I accept that Admiral reasonably investigated and responded to Mr W's concerns. And it paid him fair and reasonable compensation for the impact its individual errors had.

But these errors repeatedly occurred. And Mr W was caused further stress and frustration when he had to repeatedly complain to Admiral and to struggle to progress his claim.

Our Investigator thought that Admiral had responded to the individual complaints reasonably. But he also thought Admiral should consider the impact of the poor claim journey overall and pay Mr W £75 further compensation to reflect the trouble and upset this caused.

And I agree. Whilst I can accept that mistakes may occur due to human error or unintended procedural consequences, I think Mr W's experience that necessitated his repeated complaints was exceptional. And I think his repairs should have been completed much sooner than they were. And I think a further £75 compensation to acknowledge this is fair and reasonable.

Putting things right

I require Admiral Insurance (Gibraltar) Limited to pay Mr W £75 compensation for the distress and inconvenience caused by its level of service.

My final decision

For the reasons given above, my final decision is that I uphold this complaint. I require Admiral Insurance (Gibraltar) Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 30 April 2024.

Phillip Berechree
Ombudsman