

## **The complaint**

Mr Z complains that Admiral Insurance (Gibraltar) Limited mishandled his claim on a motor insurance policy.

## **What happened**

The subject matter of the claim and the complaint is a saloon car, made by a premium-brand car-maker and first registered in June 2012.

Mr Z acquired the car. Mr Z had the car insured on a comprehensive policy with Admiral for the period from late November 2022 to mid-November 2023.

According to its MOT history, the car passed a test in early December 2022 with a recorded mileage of about 91,900.

Unfortunately, in late February 2023, Mr Z reported to Admiral that someone had caused malicious damage to the car.

Admiral appointed one of its approved repairers.

By April 2023, Mr Z had complained to Admiral about delay in starting repair, about being without the use of his car for two months and about still having to pay the premium.

By a final response dated early May 2023, Admiral accepted the complaint (except insofar as it was about having to pay the premium) and said it was sending Mr Z £100.00.

Mr Z asked us to investigate.

In late May 2023, Admiral offered Mr Z a settlement of cash in lieu of repairs as follows:

Repairer's estimate	£3,545.12 including VAT
Less excess	£ 850.00
Balance	£2,695.12.

In June 2023, Admiral arranged for a vehicle assessor to report on the damaged car.

Mr Z complained to Admiral about delay and about communication regarding the engineer's assessment in the summer of 2023. He also complained to Admiral that it should repair the car.

In November 2023, I wrote a final decision on the complaint about delay in March and April 2023. I will refer to that as "the first complaint". I found that Admiral's offer of £100.00 compensation was fair and in line with what we would otherwise have directed Admiral to pay. So I didn't uphold the first complaint.

Mr Z asked us to investigate other aspects of his complaint.

By a final response dated late April 2024, Admiral responded to Mr Z's complaints about failure to repair his car, about still having to pay for insurance and about the assessor's report. Admiral turned down those complaints.

*our investigator's opinion*

Our investigator (in early June 2024) didn't recommend that the complaint should be upheld. She thought that Admiral's decision to offer a cash in lieu settlement was in line with the policy terms. She said that the independent assessor's report was impartial and persuasive.

Mr Z disagreed with the investigator's opinion. He asked for an ombudsman to review the complaint. He said the following:

*"First of all you can't be contacted by phone as voice mail is activated constantly!  
Second I have never stated that the engine of the car is damaged and this is not even in the claim.  
Do you actually have an idea what's is this claim about ? It's for distress, inconvenience and financial loses!!!  
I do understand that you are totally incompetent when comes to car repairs and insurance policies but let me point out a few things:  
Damaged front grill is not due to car age!  
Scratches on the car body is not due to the ages of the vehicle!  
Damaged hose connected the front grill to the engine for air intake is not due to age of the vehicle but is due to a vandalism! There is a police report for that and Admiral have videos for all those damages immediately after the incident was reported to police!  
Whatever Admiral is wrong or not refusing to repair the vehicle will decide the court in a few weeks time and you making conclusions regarding the repairing claim do not matter at all! You should concentrate on the fact Admiral is using every single possibility to avoid repairing the vehicle already 15 months and this cast me INCONVENIENCE, DISTRESS AND FINANCIAL LOSES!  
So now just refer your report to the financial ombudsman for final decision so I can take this case to small claims court ASAP. Whoever I did not expected any professional outcome from your service as already experinced your poor understanding, competence and wasting of time last year!  
Thanks!"*

*my provisional decision*

After considering all the evidence, I issued a provisional decision on this complaint to Mr Z and to Admiral on 18 June 2024. I summarise my findings:

I was minded to find it fair to direct Admiral to honour its offer of cash in lieu of repairs as follows:

Repairer's estimate	£3,545.12 including VAT
Less excess	£ 850.00
Balance	£2,695.12.

Admiral's unfair and inconsistent use of the assessor's report caused Mr Z some extra distress and inconvenience at an already difficult time for him.

Subject to any further information either from Mr Z or from Admiral, my provisional decision was that I upheld this complaint in part. I intended to direct Admiral Insurance (Gibraltar) Limited to pay Mr Z:

1. £2,695.12 in settlement of his claim; and
2. £100.00 for distress and inconvenience.

Admiral responded to the provisional decision by saying it had nothing further to add.

Mr Z responded to the provisional decision by saying the following:

*"HI!*

*All i need from you is final report so i can take Admiral to court again.*

*I want to highlight few things again :*

*1. on the initial claim there was an issue with a dashboard light coz there was no light appearing!*

*2.it took 3 months for Admiral to managed to find approved by them garage to estimate the damages, and i made aware the driver who collected the vehicle that is not a good idea to drive my car as is not fixed but he ignored me .Furthermore when the the garage returned the vehicle after few weeks they drove the vehicle unfixed again in the area when was left.And then been informed of a light appearing on the dashboard. on 24.03.2023 i have send pictures to the same approved garage [named repairer], incl a pic of the dashboard - no light appeared !*

*During the time my vehicle was in this garage no curtesy car was provided to me.*

*And they complained I have been rude on the phone?!*

*Anyway please send me your report once you are have done so i can move forward this claim.*

*Thanks"*

### **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.

Mr Z's response to the provisional decision

The gist of Mr Z's response is that he just wants a final decision to conclude our process and he will take court proceedings. So I think he is repeating his earlier comment that our conclusions do not matter at all. Nevertheless, I wish to state that I don't understand his reference to "*take Admiral to court again*". I'm not aware of any previous court proceedings.

One of the Financial Conduct Authority's rules is that - before we can investigate a complaint - the consumer must first have made that complaint to the regulated firm and waited for up to eight weeks for a response. Also, we operate a two-stage process under which an investigator gives an opinion on a complaint before an ombudsman makes a decision.

Mr Z is developing complaints about the lack of a courtesy car and that the engine light came on after Admiral's repairer drove the car. I consider that these are new complaints that I cannot deal with in this final decision.

### Final decision

The Financial Ombudsman Service may investigate a complaint that a regulated financial firm is responsible for an unfair act or omission. Where we uphold such a complaint, we look at the impact of the unfair act or omission on the complainant.

Where the impact includes financial loss and/or distress and inconvenience, we may direct the firm to pay compensation for that. To put that another way, we can only direct a firm to pay compensation where we have upheld a complaint about an unfair act or omission.

The policy covered damage to the vehicle, but not wear and tear.

By late March 2023, Mr Z wasn't using one of Admiral's approved repairers. Mr Z's proposed repairer did an estimate totalling about £3,600.00 but said the following:

*"We aren't prepared to repair the vehicle here. I've had the customer on the phone swearing abuse at the staff. Is also now claiming there's an engine problem which is accident related."*

In mid-May 2023, Admiral's approved repairer did an estimate totalling about £3,500.00. But it said the following:

*"Please see attached report most are wear and tear. We have not cleared any just in case.  
Is there any way that you can arrange a CIL on this one, from the start this PH has been awkward and abusive to our staff."*

In July 2023, the assessor's report included the following:

*"Please note:-  
Engine light on dashboard,  
Grille pushed back.  
Front number plate plinth loose on front bumper.  
Deep seated scratch on left quarter panel.  
Bonnet light scratch.  
Air intake pipe split.  
A/C Fan running all the time.  
I would not consider these to be related to malicious damage."*

I see no reason to doubt Mr Z's report that someone maliciously damaged the car. And I see no reason to doubt that this included damage to the number plate holder, the front grille, the

air intake hose and bodywork. So I don't accept the assessor's inclusion of those items on a list of items that he didn't consider to be related to malicious damage.

However from what Mr Z's repairer said about "*an engine problem*" and from what the assessor said about the "*engine light on dashboard*", I find that the car had an engine issue that dated back to at least late March 2023.

Further, I find that in late March 2023, Mr Z had said that there was an engine problem which was accident related. Yet he said in response to the investigator's opinion that he never stated that the engine of the car is damaged. I find that he has made inconsistent statements about the engine.

Also, the assessor's report included photographs of wheels and tyres in poor condition.

Also, I find that two repairers reported abuse from Mr Z.

I keep in mind that the car was over ten years old and – in addition to the repairs to the number plate holder, the front grille, the air intake hose and bodywork – the car had an undiagnosed engine problem and needed new tyres.

I don't find that Admiral treated Mr Z unfairly by declining to repair the car and offering cash in lieu. I say that because of the following:

- The age of the car.
- Mr Z's inconsistent statements about the engine.
- The undiagnosed engine problem.
- The need for new tyres.
- Reported abuse from Mr Z.

The amount of cash in lieu was based on the repairer's estimate of £3,545.12. Mr Z hasn't provided enough detail to show that this estimate was too low. So I find Admiral's offer fair and reasonable.

Admiral's final response in April 2024 reiterated that it was offering cash in lieu of repairs in settlement of Mr Z's claim. I find that inconsistent with the assessor's report listing all the items as wear and tear including the damage to the number plate holder, the front grille, the air intake hose and bodywork.

So I consider that Admiral ought to have realised that the assessor's report was incorrect. I consider that Admiral's stance on wear and tear treated Mr Z unfairly. Also, when we asked Admiral to confirm its offer of cash in lieu, it told us in late May 2024 that the repairs weren't covered, before it told us that it was still basing its offer on the figure for repairs of £3,545.12.

So I find it fair to direct Admiral to honour its offer of cash in lieu of repairs as follows:

Repairer's estimate	£3,545.12 including VAT
Less excess	£ 850.00
Balance	£2,695.12.

I've thought about directing Admiral to pay interest at our usual rate. However, its offer was on the table from May 2023 and Mr Z didn't accept it. So I don't find it fair to direct Admiral to pay interest.

According to its MOT history, the car passed a test in late January 2024 with a recorded mileage of about 93,100. So I find it likely that Mr Z had paid someone to do work on the car to make it roadworthy and driveable, but Mr Z hasn't given details to Admiral.

I've found that Admiral's use of the assessor's report was unfair and inconsistent. I've thought about the impact of that on Mr Z.

I don't consider that this caused Mr Z any financial loss because Admiral maintained its offer of cash in lieu of repairs which I've found fair. For the same reason – and in the absence of details of how much it cost to get the car up to MOT standard – I don't consider that Admiral caused Mr Z any loss of use of his vehicle.

I consider that Admiral's unfair and inconsistent use of the assessor's report caused Mr Z some extra distress and inconvenience at an already difficult time for him. I can understand that he felt the assessor was biased.

However, I consider that Mr Z had already brought trouble on himself by his inconsistent statements about the engine and by his abuse of the repairers. On balance, I find it fair and reasonable to direct Admiral to pay Mr Z £100.00 for distress and inconvenience.

### **Putting things right**

As I've said, I find it fair and reasonable to direct Admiral to pay Mr Z:

1. £2,695.12 in settlement of his claim; and
2. £100.00 for distress and inconvenience.

### **My final decision**

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct Admiral Insurance (Gibraltar) Limited to pay Mr Z:

1. £2,695.12 in settlement of his claim; and
2. £100.00 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Z to accept or reject my decision before 22 July 2024.

Christopher Gilbert

**Ombudsman**