

## The complaint

Miss B complains about how Admiral Insurance (Gibraltar) Limited handled a claim on her motor insurance policy. She wanted her car stored under cover and she was unhappy with the salvage category applied to the car. Miss B is represented in this matter by Mr H, a named driver on her policy.

## What happened

Miss B's car was damaged in an incident and recovered to a storage facility. Mr H wanted the convertible car stored inside as the top was down. But it wasn't and Mr H said this caused further damage. Admiral's assessor said the car was a Category B total loss. But a later assessor said the car was Category S.

Admiral's engineer reviewed this report and said the car was Category B due to the extent and cost of the repairs needed to make the car insurable and safe. But Admiral paid Mr H £405 in total compensation for its handling of the claim.

Our Investigator didn't recommend that the complaint should be upheld. She thought the salvage categorisation had been made by suitably qualified persons. She thought it was fair and reasonable for Admiral to rely on the first report due to its detail and because it costed the repairs needed. She thought Admiral's offer of compensation was fair and reasonable for the level of service provided. And she thought the further damage caused when the car was stored outside wasn't relevant as the car wasn't going to be repaired in any case due to the salvage category.

Mr H replied that there were five opinions that the car was repairable. He said Admiral hadn't provided us with a further report by an independent assessor that said the car was repairable. He said he could get the car repaired more economically. He thought the further damage caused after the car was left outside had made it beyond repair.

## 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.

It's about a year since Miss B's car was damaged. I can understand that Miss B and Mr H want this matter settled. Mr H has explained that he's incurring storage charges whilst the matter is ongoing. I can understand that dealing with the claim has caused him stress and frustration.

The crux of Mr H's complaint is Admiral's categorisation of the car as Category B total loss: "*Break (not suitable for repair but usable parts can be recycled)*". But Mr H thought that if his car had been stored better after it was recovered it would have been a Category S: "*Structurally damaged repairable (damage to structural frame or chassis, which can be repaired but the insurer has decided not to)*".

We're not engineers. We don't assess whether or how damage to a vehicle would be caused as this is a matter for the experts in these situations, the insurance companies and

engineers. Our role in these complaints is to determine whether an insurance company has considered all the available evidence and whether it can justify its decision about repairs.

Admiral had two reports to consider. The first was made by an engineer shortly after the car was recovered. This said the car was Category B. I can see that the detailed estimated repair costs are high compared to the pre-accident valuation of the car. And there was very heavy damage to the car. And so I think it was reasonable for Admiral to decide that the car wasn't repairable.

Mr H thought he could have had the car repaired more cheaply by doing it himself. But I think it was reasonable for Admiral to consider manufacturer's parts and realistic repair costs as this would guarantee the repairs. Mr H was also concerned that the estimate had been made on an incorrect car make and model. But I'm satisfied that Admiral has explained that the estimate was hand done because of his car's rarity.

I can see that the decision that the car was Category B rather than Category S was made by a suitably qualified assessor and then Admiral's in-house engineer confirmed this. As far as I understand, this was because the car had catastrophic damage and needed to be broken up to safeguard other road users.

A further report was commissioned by Mr H three months after the accident and following the water damage to the car's interior. This engineer said that he would have classed the car as Category S before the water damage. But I can't see that he provided a breakdown of the costs of the repairs needed. This may have affected the category. Admiral's in-house engineers considered this report, but maintained their decision that the car had been correctly classed as Category B.

Mr H thought Admiral had instructed an independent engineer to also assess the car. But I can only see evidence on its file of the two reports noted above. There is a file note stating that the salvage agent classed the car as Category S. But I can't see that this is supported by a report that Admiral should have considered.

So I think Admiral reasonably considered the evidence available and decided that the car was a Category B total loss because it couldn't be repaired to an insurable standard that ensured road users' safety. I think this was decided by an appropriately qualified person, in keeping with the relevant code of practice. So I can't say Admiral did anything wrong in this or should change the category of the car's salvage.

But Admiral accepts that its level of service was at times poor. Mr H had to phone frequently for updates, and he didn't receive promised calls back. Mr H asked for his car to be kept under cover, but this wasn't done, and the temporary cover was ineffective. I can see that this, and how the car was transported, caused Mr H distress.

Admiral paid Mr H a total of £405 compensation for the trouble and upset caused and the cost of his calls. I think that's fair and reasonable as it's in keeping with our published guidance for the level of impact its errors caused.

Mr H thought Admiral should also compensate him for the further damage to the car's interior caused by water. But I don't think this would be fair and reasonable. This is because this hasn't caused Mr H any further loss as the car wouldn't have been repairable in any case.

## **My final decision**

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 2 October 2024.

Phillip Berechree  
**Ombudsman**