

The complaint

Miss K complains about the service she got from Admiral Insurance (Gibraltar) Limited and its agent when she made a claim on her motor insurance policy.

What happened

Miss K reported a crack in her windscreen to Admiral on 30 December 2024. It was to be repaired on 10 January 2024, but on 9 January 2024 the agent cancelled the appointment and rearranged it for 18 January 2024. That appointment didn't go ahead either, due to the agent's booking error. Miss K had hired a car early in January 2024 as she didn't think it was safe to drive her car. She had the windscreen repaired elsewhere on 22 January 2024 and asked Admiral to pay for it, plus hire costs, but it didn't agree to the sums she'd asked for.

One of our Investigators reviewed Miss K's complaint. She thought Admiral should pay for the repair and for Miss K's hire, but only from the date the appointment was cancelled until the repair was done (13 days). And she said it should only reimburse the cost of a like-for-like car. The investigator also noted that Miss K had added excess waiver insurance to the hire, and she thought Admiral should refund the cost of that. She also thought it should pay Miss K £150 compensation for inconvenience.

Admiral agreed to pay the £150 compensation, and to refund the cost of the repair (£324) with interest. It said it would also pay the cost of 'class A' car hire (at £13.85 per day). Miss K hadn't hired a class A car, but she sent us evidence that the hire firm would have charged only slightly less for a hire car similar to her own medium-sized car as it did for the 'elite' medium-sized car it had provided. The investigator said Admiral should reimburse the cost of hire for a similar car to Miss K's car. Admiral still didn't agree to that, or to pay for the excess waiver insurance. It said she chose to incur that extra cost. But the investigator said it should be paid, as it was reasonable for Miss K to buy it to protect her from financial loss.

As there was no agreement, the complaint was passed to me for review.

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 think Admiral acted fairly and reasonably by agreeing to pay for the cost of the windscreen repair, plus interest (minus the policy excess) and £150 compensation.

A consumer can normally expect to have to wait for a few days after making a claim to have a windscreen repaired or replaced, so I think fixing the windscreen on 10 January 2024 as originally planned would have been in line with reasonable expectations. As that didn't happen (and the next appointment was missed by the agent) Admiral was at fault.

Admiral has agreed to pay towards the cost of hire from the cancellation date until 22 January 2024. Miss K wasn't entitled to hire under the policy – and any entitlement she might have had in other circumstances would have been for the cost of hiring a small 'class A' car. So I can see why Admiral thinks it shouldn't have to refund the charges Miss K ran up for a hire car categorised as 'elite'. But I can also see why Miss K wanted a car of the same size as her own car. A small car wouldn't have been suitable for her young family's needs - and Miss K wasn't to know when she hired the car that she'd be asking Admiral to refund the charges. That only happened due to its agent's actions, which led to an undue delay with the repair. Had the first appointment gone ahead, I don't think Admiral could have been expected to cover any of the hire or associated costs Miss K incurred.

Miss K says when she went to collect the hire car, she was told that only an 'elite' car was available in the medium-size category, although there's no evidence of that. But she's shown that the hire firm charges only £4 per day less for a car similar to hers than for an elite car. I don't think it would be reasonable to require Admiral to pay extra for a superior car. The invoice shows the total cost of hire (including VAT) for the 'elite' car was £386.23 for 22 days. So the daily rate of hire was £17.50. Deducting £4 per day, the cost of hiring a car like Miss K's car would have been £13.50 per day. Admiral has already agreed to pay £193.90 towards the cost of hire (plus interest) - but that sum is based on 14 days hire at £13.85 per day. The period covered is 13 days (so £180 in total). I think that sum is fair.

Miss K opted for an optional '*premium protection package*' with the car hire at a cost of £485 for 22 days (£22 per day). It provided cover to protect her against the high excesses payable for collision damage or the theft of the hire car, plus damage to its glass, lights, and tyres. She says she bought it because she was so nervous about the high excess costs she'd have to pay should anything happen to the hire car. The risk of having to pay those high costs would have ended quickly had the car been repaired as first planned. But due to the agent's actions, the risk and the payment to cover it continued until 22 January 2024.

Admiral doesn't think it should contribute towards the cost of the extra cover, as Miss K didn't have to buy it. But I think many consumers would have considered it to be an essential expense. I don't think Miss K intended to ask Admiral to pay for it initially, but the repair wasn't completed promptly as expected. As Admiral has accepted it should cover the cost of hire for a 13-day period, due to its agent's actions, I think it would be fair and reasonable for it also to cover the cost of the extra insurance for the same period, at £286.

My final decision

My final decision is that I uphold this complaint. I require Admiral Insurance (Gibraltar) Limited to do the following:

- As agreed, refund the cost of the windscreen repair, plus interest, at the simple yearly rate of 8%, from the date the invoice was paid to the date of settlement.
- As agreed, pay Miss K £150 compensation.
- Pay Miss K £180 towards the cost of hire for 13 days, plus interest, at the simple yearly rate of 8%, from the date she paid the invoice to the date of settlement.
- Pay Miss K the cost of the excess protection insurance, at £22 per day, for 13 days (£286) plus interest, at the simple yearly rate of 8%, from the date she paid the invoice to the date of settlement.

If Admiral thinks it should deduct tax from the interest paid to Miss K, it should tell her how much it has deducted, so she may reclaim it from HMRC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K to accept or reject my decision before 20 November 2024.

Susan Ewins
Ombudsman