

The complaint

Mr P complained that Admiral Insurance (Gibraltar) Limited (“Admiral”) didn’t complete the repairs to his car following an incident with another vehicle. Admiral was providing a motor insurance policy.

What happened

Mr P made a claim to Admiral when he was involved in a minor accident with another vehicle. Admiral accepted the claim and arranged for its representatives to repair the damage from the incident.

Mr P was unhappy when he received his car back as Admiral hadn’t repaired a small area of damage on the left rear side of the car. Admiral’s engineer said the damage wasn’t caused in this incident, so it wasn’t covered by the policy. Mr P sold his car, but he wants compensating as he said the value of the car was diminished due to the outstanding damage.

However, Admiral did acknowledge it didn’t update Mr P well enough on his claim, so paid him £50 compensation for the distress and inconvenience caused.

Our investigator decided to uphold the complaint. She thought it was more likely the outstanding damage was caused in the incident. As Mr P had sold the car, she decided to increase the compensation by £250 for the distress and inconvenience Mr P suffered, which included any financial loss. Admiral disagreed, so the case has been referred to an ombudsman.

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 reviewed the evidence, I’ve decided to uphold this complaint. I’ll briefly explain why.

I think both parties understand Admiral’s obligations under the policy to repair any damage caused by the incident. The dispute surrounds whether the outstanding damage was caused during the incident or whether it was pre-existing. Admiral have said it was pre-existing, whereas Mr P said it occurred during the incident.

I’ve considered what both parties have said, including Admiral’s engineer’s report and I’ve examined the photographs that have been provided. As the evidence isn’t conclusive, I’ve considered what I think is most likely to have occurred.

Whilst, I appreciate Admiral’s engineer said the damage wasn’t part of the incident, I don’t think it has proven this. The engineer’s own report says the car was damaged on the left-hand front, side and rear.

Mr P has shown pictures of the damage to his car and has shown how Admiral has repaired scratches either side of the area which hasn’t been repaired. Whilst, I can’t be certain, I think

on the balance of probabilities the outstanding area of damage on the left-hand rear of the car was caused in the incident.

Admiral can't repair this damage now, as Mr P has sold his car. He said the value of his car has diminished and he's shared valuations from an online tool of his car if it had no damage compared to if it did have damage. I don't find this analysis useful, as there is no way the tool could assess the level of damage accurately to determine the value of the vehicle.

I've examined the photographs and I think the outstanding damage is minor. It looks to be scratches. I think this could've been repaired easily. As the car can't be repaired, instead, I'm going to compensate Mr P for what I think it would've cost to repair. I'm also going to provide some compensation for the distress he's suffered. I think a fair level of compensation is £300 (which is £250 more than what Admiral has offered). Therefore, I uphold this complaint.

My final decision

My final decision is that I uphold this complaint. I require Admiral Insurance (Gibraltar) Limited pay Mr P:

- £250 in compensation – for the distress he's suffered and based on my estimate on what I think it would've cost him to repair the outstanding damage (Admiral should also pay the £50 already offered if it hasn't already).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 11 December 2024.

Pete Averill
Ombudsman