

## **The complaint**

Mrs and Mrs H complain about delays and poor claim handling by Admiral Insurance (Gibraltar) Limited (Admiral) regarding rectification work due to defective repairs following an accident, under their motor insurance policy.

I'll refer the policyholder Mrs H throughout my decision for ease.

## **What happened**

Mrs H was involved in a car accident in March 2022. She made a claim through her policy with Admiral, which it accepted. Repairs were arranged and the car was returned to her. Mrs H says she returned the car to a main dealer on several occasions in 2023 due to faults that kept occurring. She paid for this work herself. In June she contacted Admiral to let it know that faults continued to occur with her car. She thought these were related to the accident the previous year.

Mrs H says the standard of Admiral's claim handling has been extremely poor. She explains that it arranged for her car to be sent to a main dealer for further testing and repairs. However, to date it hasn't been repaired and she hasn't been able to drive the car since June 2023. Admiral has provided a hire car. Prior to this her partner had been getting up early in the morning to take her to work and to take their children to school. Mrs H says the hire car is smaller than her car and her family can't all fit into it. She says this has been particularly disruptive in relation to trips out and holidays.

Mrs H says that when her car was returned to her, it was in a worse state. She took it for an MOT and several issues were pointed out that needed repairing. This included the original issues Admiral was supposed to fix, as well as a broken fuse box cover and oil in the exhaust. She says she constantly had to chase Admiral, and the garage it appointed, for updates and to try and progress her claim. This has taken up a lot of her time.

Mrs H has provided Admiral with evidence of the ongoing issues. But it has yet to resolve them, and she is left with an unsuitable hire car. Mrs H says she's raised a number of complaints about her claim experience. The last response she received from Admiral to this was on 4 June 2024.

In its complaint responses Admiral acknowledges a lack of appropriate communication when dealing with Mrs H's claim. Both from it and the garage it used to repair her car. This included it contacting the wrong garage on several occasions causing confusion. It also acknowledges causing unnecessary delays in arranging the repairs. And for telling Mrs H the garage being used was chosen by her when, in fact, Admiral had appointed this garage. In total it paid £600 compensation for the failings it had highlighted.

Mrs H didn't think Admiral had treated her fairly and referred the matter to our service. Our investigator upheld her complaint. He says the claim was progressed reasonably from June 2023 to October. But there were some delays when it contacted the wrong garage, and when it hadn't put a plan in place early to deal with the claim effectively. When Mrs H arranged an MOT in October he says there was little evidence to show reasonable progress was made with the issues identified until later in December.

Our investigator says Mrs H was asked to arrange a health check of her car at the main dealer. The results of which were passed on to an independent assessor (IA) to confirm what to do next. Our investigator didn't think the claim was progressed effectively for several months. By May 2024 Mrs H's car was still at the garage. Our investigator says the evidence doesn't support the car was a write-off as Mrs H had queried. This is because the cost of the repairs was less than half of the car's estimated value.

To put things right our investigator says that Admiral should authorise the outstanding repairs identified during the MOT Mrs H arranged. It should also pay her a total of £750 compensation.

Mrs H didn't agree with our investigator's findings. As an agreement couldn't be reached the matter has been passed to me to decide.

I issued a provisional decision in September 2024 explaining that I was intending to uphold Mrs H's complaint. Here's what I said:

*provisional findings*

*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*Having done so my intention is to uphold Mrs H's complaint. Let me explain.*

*We expect Admiral to arrange effective and long-lasting repairs in response to an accident claim. Mrs H doesn't think it did, which is why there were ongoing problems with her car. I've focused on that here.*

*I think it was reasonable for Admiral to arrange for an IA to consider the matter and it did so in a reasonable timeframe. I've read the report the assessor provided on 22 June. This says:*

*"The vehicle is now exhibiting signs of body control module (BCM) faults, which I suspect may be due to damage sustained by vehicle [sic] in incident, due to the close proximity in which the BCM is mounted. The vehicle requires a manufacturer full diagnostic test and if possible recalibration / reset of all ADAS systems. The vehicle would need to be taken to a [Mrs H's car's manufacturer] dealer...The following warning lamps are illuminated: Emissions fault, engine management.*

*The vehicle is not roadworthy as the lamps are illuminated on the fascia panel advising of defects with some vehicle systems."*

*An inspection by a main dealer was arranged for the end of July 2023. From what I've read this was the earliest appointment available. Prior to this a hire car was provided to Mrs H at the beginning of July. I acknowledge what she says about the suitability of the car due to its size. This meant she and her family had to cancel a pre-booked holiday in August. A holiday was also cancelled in June as she had no car available at this time.*

*The records show the IA was unsure, following discussion with the main dealer, if the current issues were claim related. In August there are notes to show a quote for a body control module (BCM) and undertray cover were requested from the main dealer. In late August there was confusion as to where Mrs H's car was located. I can see an apology was provided for this oversight. However, this does appear to have delayed the provision of information the main dealer required. There was then a period of around a month until the main dealer had completed some repairs. The car was to be returned to Mrs H at the end of September 2023. But the repairs to the BCM and undertray were noticed to be incomplete.*

*The records show Admiral had used an incorrect email address when contacting the main dealer. This was highlighted by Mrs H. This was resolved in late September 2023. But caused some delays.*

*In late October 2023 Mrs H had her car returned. She took it for an MOT. I can see the garage confirmed the BCM hadn't been programmed correctly. In addition, the fuse box was broken which could allow water to get in. There was also oil in the exhaust pipe which presented a fire risk. Mrs H sent photos and videos to Admiral showing the issues identified by the MOT garage. The claim records are fairly limited between October and January 2024. When Mrs H called Admiral in January there was discussion around a diagnostic test that hadn't been arranged in December 2023.*

*The claim records in February 2024 show the IA asked Mrs H to take her car to the main dealer for a health check. The notes indicate Admiral's in-house engineer didn't think the ongoing issues were claim related. Admiral then asked the head of business at the IA company to provide a response. The records show there was a delay in obtaining an estimate for repairs from the main dealer. This continued into May. Another final complaint response was sent by Admiral to Mrs H on 4 June 2024. This offered £100 compensation that it mistakenly referred to the repairer as Mrs H's chosen garage, when it wasn't. The claim records show Admiral was still waiting on a response from the IA at this time.*

*Having considered this evidence, it seems to be taking a very long time for Admiral to ascertain if the damage Mrs H highlights is something it needs to cover under her policy. There may have been some delays due to the main dealer's involvement. I don't think Admiral can be held responsible for the entirety of the time this matter has been ongoing. But Mrs H raised concerns in June 2023 about the ongoing issues she'd experienced following the accident repairs back in 2022. When first assessing these issues in June 2023 the IA suspected the BCM issues were caused by the accident and were therefore claim related. The repairs didn't resolve the issues and the problems remain.*

*Whether the later issues identified during the MOT were caused during the repairs, has yet to be agreed by Admiral. But I think it's had sufficient time to consider this and make a decision. On balance of the evidence discussed, I think it's reasonable that Admiral takes responsibility and arranges the repairs.*

*I asked Admiral to agree to our service considering Mrs H's complaint up to the date of its final response on 4 June 2024. Previously our investigator had considered up to May. It agreed. So, my decision takes account of Mrs H's concerns up to the later date.*

*Having considered all of this I don't think Admiral handled Mrs H's claim fairly. It took the appropriate action initially to appoint an assessor. But a year after the claim was raised Mrs H's car still isn't fixed. For the reasons discussed here I agree with our investigator that Admiral should arrange for the repairs highlighted during the October 2023 MOT to be completed. If the main dealer can't do this in a reasonable timeframe it should arrange an alternative repairer.*

*I've thought about the impact this has had on Mrs H. The indication is that repairs weren't completed in full as a result of the accident in 2022. Mrs H has had to spend a great deal of time, over a period of over 12 months, in contact with Admiral and its appointed garages. She's provided evidence to show two holidays had to be cancelled during this period. This was because the hire car was too small for her family to fit in. She's also been without her car for a very long time. And although a hire car was provided, this was smaller and of a lower specification. The repairs arranged through the main dealer took three months to be completed from the date of the claim. From the MOT report it's not clear what the main dealer did as the BCM needed further work. In addition to other repairs that Mrs H had to highlight to Admiral. I can certainly understand that Mrs H has experienced a great deal of frustration and distress over this period. In addition to the inconvenience caused. It's fair that it compensates Mrs H for this.*

*Admiral paid £350 and £150 in two separate payments to acknowledge the problems with its claim handling. A further £100 was awarded in its June 2024 complaint response. I think given the time over which these issues have continued and the frustration, distress, and inconvenience this caused, a total payment of £1,000 is appropriate.*

I said I was intending to uphold Mrs H and Mrs H's complaint and Admiral should pay for the repairs identified in the October 2023 MOT. It should also pay a further £400 in compensation.

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

Mrs H responded to say that her car was returned to her on a flatbed truck at the beginning of August 2024. She says it was again undriveable and still had faults showing on the dashboard. Mrs H says she arranged for a garage to repair the faults. Admiral then reimbursed the money she had spent getting the car back to a roadworthy condition.

Admiral responded to say the repairs identified during the October 2023 MOT have since been completed. It says in addition it has refunded Mrs H for some additional work she had paid for. Admiral says it is only now waiting for an invoice for the cost of a valet Mrs H had arranged.

Mrs H wrote to us again in October 2024. She says when turning her car on it's now showing further warnings on the dashboard. She's provided a video showing this. Mrs H says her garage told her that the issue is likely to be a mis-repair of the sensors and onboard computers. She says the car won't pass its MOT with the warning lights that are showing.

### **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'm sorry to hear that Mrs H is still having issues with her car. I can appreciate this must be extremely frustrating for her and her family.

I've reviewed the evidence in full, but there are limitations to what I'm able to consider. The Financial Conduct Authority (FCA) dispute resolution or DISP rules determine what our service can look at. As I mentioned in my provisional decision Admiral issued three final response letters to Mrs H's complaint. The last was dated 4 June 2024. The DISP rules allow me to consider what happened up to this date, as the business has had the opportunity to consider the complaint and provide a response. But I'm not able to consider beyond this date.

Clearly Mrs H isn't satisfied that her car has been fully repaired as Admiral indicated in its email to our service. But she will have to raise this as a separate complaint. She can refer the matter to our service if Admiral isn't able to resolve the matter to her satisfaction. But I can't consider this here.

In my provisional decision I said Admiral should arrange for the repairs identified in the October 2023 MOT to be completed. From the information provided by Mrs H and Admiral, these repairs have since been carried out. So, I needn't include this in my decision. But as above, any issues that have arisen since June 2024 will need to be raised separately to this complaint.

Neither party has commented on the compensation payment I set out in my provisional decision. Having reviewed what I said, I think this remains a fair outcome for the period I've considered. So, this will now become my final decision.

### **My final decision**

My final decision is that I uphold this complaint. Admiral Insurance (Gibraltar) Limited should:

- pay Mrs H and Mrs H a total of £1,000 in compensation for the distress and inconvenience it caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mrs H to accept or reject my decision before 4 December 2024.

Mike Waldron  
**Ombudsman**