

The complaint

Mr K complains about how Admiral Insurance (Gibraltar) Limited (Admiral) dealt with a claim he made on his motor insurance policy.

Mr K's complaint has been brought by a representative. Any references to Mr K include the comments of his representative.

Any references to Admiral also include its agents.

What happened

In December 2023 Mr K's vehicle was involved in an accident with a third-party in the Republic of Ireland. The accident was reported to Admiral.

As Mr K's vehicle was undriveable, it needed to be recovered. Admiral outsourced the recovery of Mr K's vehicle to a third-party agent I shall call F. Although F recovered Mr K's vehicle, Mr K says he experienced delays and when his vehicle was returned, further damage had been caused.

Mr K says it had been his intention to sell his vehicle prior to moving abroad in January 2024. As Mr K was required to wait for his vehicle to be repaired, he says this caused him to incur a further three months of finance payments of £937 and insurance, before selling the car in April 2024. Mr K also says Admiral didn't provide him with regular updates and as the claim was not closed, it affected his ability to get insurance.

Mr K raised complaints with Admiral, but he wasn't satisfied with its response. He referred his complaint to this Service. Our Investigator looked into the matter and said he felt the compensation paid by Admiral and F of around £650 was fair in the circumstances.

Mr K disagreed with our Investigator, so his complaint has been passed to me to decide.

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 recognise Mr K is unhappy with the delays he experienced which he says had ongoing consequences for him. Additionally, he feels there was a lack of communication from Admiral.

Claim status

Mr K says the claim is showing as open. I understand since coming to this Service, Mr K has raised a further complaint as he's unhappy Admiral still hasn't recovered its outlay from the third-party.

As a separate complaint has been raised by Mr K I shall only consider within this decision

what happened up until Admiral's final response letter of 22 July 2024. Having considered the evidence available, I can see the third-party vehicle and its insurers are based in the Republic of Ireland, giving an international element to the claim. Within the claim notes, Admiral experienced delays in its request to obtain details of the third-party insurer. When Admiral received the information, its attempts to contact the third-party insurer weren't always successful. I can see Admiral explained to Mr K in June 2024 how it had attempted to obtain the third-party's insurers details. And I note Admiral say Mr K was ok with this. Details of Admiral's outlay was sent to the third-party in June 2024.

For Mr K, a claim will be treated as open and no claims bonus disallowed until an insurer has recovered its outlay in full from another party. And this is industry standard. This means until Admiral has recovered its outlay its likely his insurance will be affected and there will be a requirement for his policy excess to be paid.

I'm however satisfied from what I've seen that Admiral were taking steps to try and liaise with the third-party insurers. I therefore don't require Admiral to do anything further in this respect.

Vehicle Recovery and Further Damage

Mr K says he encountered delays with the recovery of his vehicle. As Mr K's vehicle was in the Republic of Ireland, Admiral used its agent F to carry out the recovery.

Within the case notes I can see attempts to repatriate Mr K's vehicle to the UK started soon after the accident in December 2023. However, due to Christmas and the New Year period delays were experienced, for example the recovery yard being closed. In January 2024 I have also seen references within Admiral's case notes to the ferry boat being booked twice but cancelled due to weather conditions. I've also seen an unusually high workload has been cited as a reason for the delay. Having looked at the historic weather forecast for January 2024 there were indeed poor weather conditions which were affecting the Republic of Ireland. Taking this into account I'm persuaded by Admiral's explanation for the delays. I appreciate the delays were frustrating for Mr K, but I can't hold Admiral responsible for the delays, the same being outside of its control.

At some point during the recovery process further damage was caused to Mr K's vehicle whilst under the control of F. As Admiral appointed F to carry out the recovery function, it should be responsible for F's actions. From the evidence available I understand Admiral repaired the further damage caused to Mr K's vehicle. And I believe this to be fair and reasonable.

Sale of Vehicle, Increased Finance Payments and Insurance

I acknowledge Mr K says it had been his intention to sell his vehicle in January 2024 before moving abroad, but he was unable to do so until April 2024. I appreciate this must have been upsetting for Mr K however, being unable to sell his vehicle in January 2024 was an unfortunate consequence of having the accident in a different country and the challenges experienced in repatriating the vehicle back to the UK.

As I have stated above, the delays experienced repatriating Mr K's vehicle back to the UK were out of Admiral's control. Once the vehicle had been returned to the UK, which I understand from the available evidence was in February 2024, and the repairs carried out (for both the accident damage and the damage caused during the recovery process), on balance I believe Mr K was only required to pay one month's extra finance payment and insurance. Whilst I appreciate this increased the financial burden for Mr K, I don't believe this should be reimbursed by Admiral.

Compensation paid to date

Taking everything into account I don't believe Admiral treated Mr K fairly, leading to Mr K making several complaints. My reasons for this are:-

- Admiral failed to update Mr K on the position in respect of the recovery of his vehicle,
- Additional damage was caused to Mr K's vehicle during the recovery process,
- Mr K felt there was a lack of communication,
- Mr K was required in my opinion to pay an additional finance payment and insurance for his vehicle for a further month.

Admiral and F have however paid compensation around the sum of £650 across several complaints. I believe based on our own guidelines the compensation paid to Mr K to be more than fair and reasonable. I therefore don't require Admiral to take any further action.

My final decision

My final decision is that I don't uphold this complaint and I don't think Admiral Insurance (Gibraltar) Limited needs to do anything to settle the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 4 April 2025.

Lorna Ball
Ombudsman