

The complaint

Mr H complains about damage to a wheel on his vehicle while it was in for repair under a claim to Admiral Insurance Limited (Admiral) on his motor insurance policy.

References to Admiral in this decision include their agents.

What happened

In October 2023 Mr H's vehicle, while parked, was hit by another vehicle. Mr H contacted Admiral to tell them about the damage and lodge a claim. Admiral appointed an approved repairers (O) to carry out repairs. Given the nature of the damage and the vehicle, repairs took some time, with the vehicle being returned to Mr H in February 2024.

However, Mr H wasn't happy with the quality of the repairs. In particular, he said the vehicle was damaged while in for repair, with paint on the seats, damage to part of the driver's side rear wheel and repairs not completed correctly. So, he complained to Admiral.

In their final response, in February 2024, Admiral upheld the complaint. They said they'd spoken to O, who confirmed the issues raised by Mr H were in the process of being rectified. On the specific issue of the damaged wheel, Admiral said O told them there was a 5mm scratch and the wheel could be refurbished. In recognition of the issues, Admiral awarded £200 compensation for the stress and inconvenience caused. Admiral also said if Mr H had incurred any other losses, they would consider them if he provided supporting evidence.

Mr H complained again as he was unhappy with the refurbishment of the damaged wheel, saying it didn't match the other wheels and was in a worse condition than before the repairs. The method of refurbishment meant a thin layer of the wheel had been removed and there was a visibly rough finish on the edges of several of the wheel spokes.

Admiral issued a further final response in April 2024, which didn't uphold the complaint. Having reviewed photographs of the wheel provided by Mr H with their engineers, and in discussion with O, they concluded the refurbishment of the wheel was appropriate and fair and reasonable. They thought no further repairs were necessary.

Mr H then complained to this Service. He said his vehicle was damaged while in for repair and Admiral agreed to fix all the issues. But the wheel was even more damaged after a further repair. He was left with a significantly damaged wheel, which devalued his vehicle (both were expensive). The extent of the damage meant the wheel should be replaced.

Our investigator upheld the complaint, concluding Admiral hadn't acted fairly. Following his complaint, Mr H provided an email from a dealership of the vehicle manufacturer stating the wheel had been 'overcut', so wasn't to the standard it was before the refurbishment. The dealership said the wheel would need to be replaced, quoting a cost of £1,580.47 and additional labour costs of £105 (both plus VAT). Admiral were asked to respond to the dealership's view but maintained their position.

The investigator noted it wasn't in dispute the wheel was damaged. While the damage from the refurbishment was superficial, it was visible on the edges of the wheel spokes. Given the prestige nature of Mr H's vehicle, this detail was important and the damage noticeable. As the refurbishment involved removing metal from the wheel, it couldn't be undone, so the only way for the wheel to be returned to the same standard before the damage would be to replace it. To put things right, the investigator thought Admiral should either arrange for the replacement of the wheel or reimburse Mr H for the cost of his having the wheel replaced at a garage of his choice.

Admiral disagreed with the investigator's view and asked that an ombudsman consider the complaint. They said the expert opinions from both their in house engineers and the manufacturer-approved repairer supported their view it was fair and reasonable to refurbish the wheel in the way it had. They thought this evidence shouldn't be overlooked in favour of the evidence from the manufacturer dealership.

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.

My role here is to decide whether Admiral have acted fairly towards Mr H. While Mr H initially complained to Admiral about other issues with the repairs to his vehicle and damage while with O, his complaint to this Service is specifically in relation to the vehicle's wheel. So, this decision focuses on that issue.

Mr H says the wheel was left damaged after its refurbishment by O and the nature of the damage means the wheel should be replaced. Admiral, based on the views of their engineers and O, maintain it was fair and reasonable to refurbish the wheel.

Given the conflicting views, including those of the respective engineers, repairer and dealership, I've looked at what they have said. I've also looked at the photographs and other evidence about the wheel itself.

As well as his own views, Mr H has provided an email from a manufacturer dealership, the text of which is as follows:

"As discussed, your OSR wheel has been overcut and would not be able to be refurbished again to the correct standard and would be required to be replaced..."

Mr H adds that he discussed the issue with the dealership and said they told him that 'overcut' meant the wheel had been ground down too far, which caused the damage. The dealership also added their vehicle wheels should never be ground down as it can affect the integrity of them due to the high loads put through them by high-performance vehicles.

For their part, Admiral refer to the views of their in-house engineers (IHE) and the repairer (O). On the former, Admiral's complaint notes record the following:

"The repairer have imaged the original damage which was very minor, I have had 2 IHE who have reviewed and have no concerns with the refurb and decision that was made. Based on their expert opinion I am not able to proceed [to uphold the complaint]"

An inspection report from O includes the following statement:

“...[the policyholder] mentioned a small scratch on the OSR wheel (diamond-cut wheel), claiming it wasn't present when the vehicle was initially collected for the repairs.

Looking at our records, we can't prove this otherwise, because the damage is so minor (approx. 5mm scratch), it's not visible on any of our checking-in images.

We agreed to have the wheel refurbished as goodwill, but the policyholder is not happy with this, asking for the wheel to be replaced instead.

Bearing in mind the extent of the damage, we believe a refurb would be appropriate in this case, as this is very minor cosmetic mark, so refurbishing the wheel won't affect the integrity/safety aspect of it.”

There's also a further statement (from Admiral's engineer) which concurs with O's opinion:

“...I entirely agree with the [Approved Repairer] response to the refurbishment of this wheel. No one can comment or assume what may happen in any future incident the policyholder may have, so I find the policyholder reasoning unreasonable and so not viable.

The refurbishment of this wheel is then entirely appropriate in this case and the approved repairer offer which is fair and reasonable...and replacement of this wheel is not required.”

Admiral also note that O is an approved repairer for the manufacturer of Mr H's vehicle and that refurbishment of a wheel to rectify a minor scratch is an industry-recognised method.

I've also looked at the photographs of the wheel, including close-up pictures of the wheel and the wheel rims. There is evidence of the affected edges being less than straight, in contrast to other edges. I've also looked at a video from Mr H showing the wheel, including the parts that were refurbished and those that weren't, which is consistent with the photographs and the difference being clearly visible.

Given the differing opinions of the parties and their experts, then I have to form a conclusion based on which I find to be the more persuasive. Having carefully considered all the evidence, then on balance I'm more persuaded by the views of Mr H, supported by the statements from the manufacturer dealership. They've given a more detailed explanation of the damage to the wheel (the 'overcut') and the impact. While there's disagreement over the integrity and potential safety of the wheel, again, on balance, I'm more persuaded by the dealership's view (which is also based on an inspection of the wheel after its refurbishment).

Taking all these points together, I've concluded Admiral haven't acted fairly and reasonably towards Mr H over the damage to the wheel.

Given this alongside the evidence, in particular from the dealership, then to put things right Admiral should either arrange for the replacement of the wheel or reimburse Mr H for its replacement should he arrange for its replacement.

My final decision

For the reasons set out above, it's my final decision to uphold Mr H's complaint. I require Admiral Insurance Limited to:

- either arrange for the replacement of the wheel or reimburse Mr H for its replacement should he arrange for its replacement.

As the replacement of the wheel wouldn't be part of the original claim for the damage to Mr H's vehicle, then Admiral shouldn't treat the wheel's replacement or reimbursement for its replacement under the terms of the policy. That is, it shouldn't be subject to deduction of any policy excess or other reduction.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 18 January 2025.

Paul King
Ombudsman