

## **The complaint**

Mr G on behalf of Mrs G has complained about Admiral Insurance (Gibraltar) Limited's poor handling of a claim she made against her car insurance policy. Mr G is a named driver under Mrs G's policy.

## **What happened**

In November 2023 Mrs G made a claim under her car insurance policy with Admiral for damage after colliding with an animal. Mrs G's car is an electric car.

It took over six months for Mrs G's car to be returned to her after repair. During this time Mr G on Mrs G's behalf made a series of complaints to Admiral, most of which it upheld.

Admiral paid a total of £690 in compensation for distress and inconvenience caused. Included in this sum was £50 towards diesel fuel costs while using a courtesy car (CC) and £20 towards calls.

Mr G said the compensation paid didn't reflect his loss of earnings due to time spent in contact with Admiral, nor did it reflect other losses as they paid for their car under a lease agreement and were denied the enjoyment of it for far longer than reasonable.

One of our Investigators recommended Admiral increase the amount it paid for diesel fuel costs by £200, so paying £250 in total. He thought Admiral's unreasonable delay had directly impacted Mr and Mrs G financially in having to pay higher fuel costs.

Mr G said the Investigator's view didn't go far enough to resolve their complaints. Admiral asked for evidence of fuel payments, which Mr G said he no longer has due to the time that has passed.

So as both parties disagree, the case 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.

There's no dispute that the service Mr and Mrs G received from Admiral and their approved repairer (AR) was very poor. It is unreasonable for it to take over six months to carry out repairs. During this time, Mr and Mrs G were not kept updated about repairs. When their car was due to be returned to them, the AR discovered further parts were needed which caused further delay, and Mr and Mrs G lost confidence in the AR and Admiral.

I can see that Mr G spent considerable time chasing Admiral and the AR for updates – and in raising complaints. Mr G says he has lost earnings as a consultant due to the time he spent dealing with the claim. He has calculated his losses based on his hourly rate and the time he spent dealing with Admiral – over and above what he considers reasonable.

As the Investigator explained, it's expected to have a degree of disruption and inconvenience when having to deal with a claim. And insurers provide longer opening hours to allow customers to make contact outside of their working hours to lessen disruption into working time.

Where we find an insurer has caused distress and inconvenience over and above what is reasonable, we look at whether the insurer has paid a fair award of compensation.

This is not a sum specifically defined – but we broadly categorise the amounts depending on the severity, which is individual case by case, and the length of time.

I appreciate that Mr and Mrs G say the courtesy car was not like for like – and while this may have been acceptable for - say a month - during repair, it wasn't for over six months. They were paying a lease agreement without having the enjoyment of their electric car for a prolonged period of time.

They say that driving a manual car made an existing health condition for Mrs G worse. They made Admiral aware of this in April 2024, and Admiral offered to provide an alternative automatic cc. But as the cc wouldn't otherwise change, Mr and Mrs G declined the offer.

Lease repayments for a car stand outside of the costs Admiral is responsible for as this is a choice a customer makes as to how to fund having a vehicle. And the compensation awards which we give are modest. So I think that the compensation Admiral has paid of £620 for the distress and inconvenience caused is fair and within the range we would award otherwise. I think this fairly reflects the inconvenience and impact of the poor customer journey during the claim. So I'm not asking Admiral to pay more here.

I agree with the Investigator that it seems unfair for Mr and Mrs G to have increased fuel costs for longer than necessary as a result of poor service and delays. And while I understand Mr G no longer has evidence of what they paid for fuel, the Investigator pointed out that the mileage recorded under the insurance policy was to drive approximately 1,000 miles a month. And so holistically I think a fairer outcome is for Admiral to pay more to reflect a reimbursement of the additional fuel costs paid.

### **My final decision**

My final decision is that I uphold this complaint in part. I require Admiral Insurance (Gibraltar) Limited to pay Mr and Mrs G £200 for diesel fuel costs while using a CC for longer than reasonable due to delays. This is in addition to the £50 Admiral has already paid.

Admiral Insurance (Gibraltar) Limited must pay the compensation within 28 days of the date on which we tell it Mr and Mrs G accept my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

If Admiral Insurance (Gibraltar) Limited considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mr and Mrs G how much it's taken off. It should also give Mr and Mrs G a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mrs G to accept or reject my decision before 30 January 2025.

Geraldine Newbold  
**Ombudsman**