

The complaint

Miss C has complained about the service she received and the valuation reached when she made a claim under her car insurance policy with Admiral Insurance (Gibraltar) Limited.

Miss C is being represented by Mr A in her complaint.

What happened

In August 2024 Miss C made a claim to her insurer, Admiral for fire damage to her car.

Admiral settled the claim as a total loss, so it paid the market value for the car.

In August 2024 Mr A complained to Admiral. He said Admiral had caused delays, provided misinformation and he disagreed with the total loss settlement.

Admiral upheld the complaint in part. For failing to manage Miss C's expectations as to how long was reasonable to settle the claim, and for some misinformation which was corrected the same day, Admiral paid Miss C £75 compensation.

Admiral said the valuation it had paid was correct.

Mr A brought Miss C's complaint to us. He said he is registered disabled, he and Miss C have a young family, and they lost out on hundreds, if not thousands of pounds due to Admiral's handling of the claim.

One of our Investigators thought Admiral had acted reasonably, so didn't recommend any further compensation award.

Mr A doesn't agree and so 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.

Admiral provided a poor service and caused delay

Mr A says Admiral caused delay, the hire car available wasn't suitable, and he wasn't kept updated. Mr A says misinformation was given: that Admiral incorrectly tried calling 101 instead of emailing the police officer in charge in relation to the arson incident, and said it didn't need the categorisation of the vehicle. Mr A said Admiral asked about a previous claim that had been disclosed.

In response, Admiral accepted it provided misinformation, but had updated Mr A with correct information on the same day, the day after Miss C reported the incident. Mr A asked for a cash settlement of £400 rather than a hire car, so they could make their own arrangements. I think this was reasonable.

I think Admiral was entitled to carry out enquiries about a previous claim, which was also resolved on the same day.

Admiral accepts it failed to manage Mr A's expectations sooner by telling him it was reasonable to take up to 28 days to settle the claim. It didn't do this until ten days after the incident. For its poor service, Admiral paid £75 compensation to Miss C.

I can see that Mr A contacted Admiral a number of times on a daily basis for updates on the claim. Where Admiral had an update, it provided one. Mr A asked for a cash equivalent rather than a hire car on Miss C's behalf, so I don't hold Admiral responsible for not providing a suitable hire car.

When things go wrong, we look at the impact on the eligible complainant, which is Miss C. Mr A isn't a policyholder of Admiral's for this claim, and isn't a named driver under Miss C's policy. I think it's reasonable to expect a degree of disruption and inconvenience when having to deal with a claim. Fortunately they aren't everyday occurrences.

Overall I think Admiral's compensation award for some poor service is reasonable and within the range of awards we give for similar circumstances. So I'm not asking Admiral to pay any more.

Admiral's valuation is too low

Miss C's car was an imported vehicle. So it wasn't possible for Admiral to follow the approach we recommend by relying on the main motor trade guides to reach its valuation. Instead, Admiral instructed an independent assessor (IA) to provide a valuation.

Admiral has provided us with examples of similar vehicles which the IA relied on when reaching its valuation of £7,500. They show that the valuation is within the range of the adverts provided, based on the age, condition, and mileage at the time of loss.

Mr A has provided examples to support why he believes the valuation Admiral paid is too low. Most of the examples are for cars with significantly lower mileage or in age. They therefore aren't persuasive for me to say that Admiral reached its valuation unreasonably. So I'm not asking Admiral to increase the total loss settlement it paid.

Mr A says the IA isn't independent. Admiral explained that it pays the IA a fixed fee, irrespective of the valuation they reach. I've seen nothing to show that the valuation reached was unreasonable, or that the IA wasn't independent.

My final decision

I'm sorry to disappoint Mr A and Miss C. But for the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 18 April 2025.

Geraldine Newbold
Ombudsman