

## **The complaint**

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

## **What happened**

The following is intended as a brief summary of events, as the background to this complaint is well known to both parties. Instead, I've highlighted what I consider to be the key points.

Mr C's vehicle was involved in an accident in August 2022. He contacted Admiral to make a claim for the damage and they agreed to repair it. The vehicle was collected and sent to Admiral's approved repairer.

However, once the vehicle was returned Mr C said there were a number of issues that required rectification, including bodywork damage and an issue with the vehicle's suspension. Mr C contacted Admiral to raise a complaint about these problems. Admiral considered the complaint and agreed to fix the issues. And while these were being resolved, Mr C also raised an issue with his vehicle's handbrake system (DSC) around February 2023.

Ultimately, following several final responses, while Admiral fixed the bodywork and suspension problems, they said the issue with the vehicle's DSC wasn't accident or repair related, so they didn't agree to fix it as part of the claim. Mr C remained unhappy with how Admiral handled the claim and subsequent complaint – so he brought it to this Service.

An Investigator looked into what had happened and recommend that the complaint should be upheld. She said that while Admiral had carried out diagnostic checks to Mr C's vehicle in July 2023 which showed the DSC error present – Mr C had also provided evidence from October 2022 which showed the error was present after Admiral had carried out the initial repairs following the accident. She concluded that Admiral's diagnostic findings weren't persuasive enough for Admiral to fairly conclude that the DSC module fault wasn't claim or repair related.

Following the Investigator's first review of the complaint - Mr C said he'd replaced the DSC module at his own cost. He explained that he carried this work out himself with the help of a local mechanic. So, the Investigator concluded that the fair and reasonable outcome to this complaint would be for Admiral to reimburse Mr C for any reasonable financial cost he's incurred in completing the repair. She also recommended that Admiral pay £250 compensation.

Admiral responded to the Investigator's findings and said Mr C had raised a standard of repair complaint in Oct 2022 but hadn't mentioned the DSC issue then. They said Mr C highlighted that the warning light came on after the first inspection (Feb 2023) and before the second inspection (April 2023). They said they would have expected this to have been at least mentioned if Mr C was raising concerns over his vehicle. Admiral maintained that the information available from the diagnostics reports supported their stance of this having occurred after the accident.

The Investigator wasn't persuaded to change the outcome she'd reached. She said irrespective of when Mr C brought the DSC issue to Admiral's attention, the engineer inspection report showed that DSC error messages, and so, in combination with Mr C's photo evidence, she was persuaded the DSC issue was likely either accident or repair related.

Admiral subsequently made an offer to cover 50% of the repair costs and compensation amount to Mr C to resolve the complaint. But Mr C declined this offer. He said the issue with the DSC had only occurred after his vehicle was returned following repairs and so Admiral should pay for the total costs paid to fix the issue.

Both Mr C and Admiral asked for an Ombudsman to consider the complaint – so, it's 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.

Having done so, I've reached the same overall outcome as the Investigator – I'll explain why.

I want to start by explaining I won't be repeating the entirety of the complaint history here in my decision or commenting on every point raised. Instead, I've focussed on what I consider to be the key points that I need to think about in order to reach a fair and reasonable conclusion. This reflects the informal nature of this Service and our key function; to resolve disputes quickly, and with minimum formality. However, I want to assure both parties I've read and considered everything provided.

The crux of this complaint is down to whether the DSC issue was damaged as a result of the accident in August 2022, or as a result of the repairs that Admiral carried out. Admiral has provided evidence in the form of engineering reports which they say shows the issue was present from July 2023. They essentially concluded that the issue must have started several thousand miles after repairs were concluded. And they said Mr C could have raised this issue earlier, when he initially lodged a complaint in November 2022 in respect of the other rectification work he was unhappy with.

In respect of when the DSC issue first presented, Mr C has provided photos of the error present on his vehicle's dashboard from October and November 2022. In the first instance, I think this is persuasive evidence that shows the error wasn't first present in July 2023, as Admiral's diagnostic report shows. And in respect of their comments around the ability to adjust the date and time on the images – I don't find this to be likely, on the balance of probabilities. The photo's time matches the time displayed on the vehicle's internal clock – and I haven't seen any persuasive evidence which shows Mr C adjusted both his phone and vehicle's clocks to manipulate when the photo was shown to be taken.

Additionally, as the Investigator highlighted; the DSC error is present in the Audatex report carried out after the accident in August 2022 – so this demonstrates to me that the error was present much earlier than Admiral's other evidence reported. I'm also mindful that Admiral confirmed there was rectification work needed to the vehicle's suspension – and Mr C has told us his garage advised that the DSC error that comes up and disappears sometimes can be a result of the wheels being displaced, or because the vehicle tilts to one side. He said if the DSC can't read wheel position properly, or the reading deviates from the manufacturer standards, it can cause it to malfunction and stop.

Mr C's testimony says he has never had an issue with the vehicle's DSC prior to the accident. He said the error was intermittent but when he had the vehicle serviced in February 2023 and they identified it as being a fault with the DSC unit – that's when he raised the issue with Admiral as he realised it could be an issue with the accident or subsequent repairs. And since then, a main dealer also highlighted that the DSC unit is located in the area of body damage that was repaired previously.

In situations like this, where the evidence provided is incomplete or contradictory, I'll need to make my decision on the balance of probabilities. That is, what I think is more likely than not to have happened, given the evidence which is available and the wider circumstances of the complaint, as well as how much weight to give to any piece of evidence. Additionally, Under DISP 3.6.1, my remit is to determine a complaint by reference to what is, in my opinion, fair and reasonable in all the circumstances of the case.

Having thought about this situation very carefully, I'm persuaded that the evidence supports Mr C's position that the error was present following the accident and subsequent repairs; and not several thousand miles later as Admiral have maintained. As such, I find that the evidence shows the issue with the DSC was more likely than not a result of something that happened either during the initial accident, or during the repair process. In either scenario, it is Admiral's responsibility to put it right.

Mr C says he has now had this issue repaired at his own expense. I've been provided with evidence that Mr C purchased a second-hand part at a cost of £120 (dated 27 August 2024) and he explained that a mechanic carried out the repairs at a total cost of £560. While I would usually request an invoice from a garage to support these costs; I understand Mr C had these works done privately and also participated in the repairs himself to minimise the costs.

Given this total cost of £680 is significantly less than the repair cost quoted by a main dealer at over £4,300 – I satisfied Mr C has adequately mitigated his losses here. So, I think the fair and reasonable way to conclude this complaint point is for Admiral to reimburse him the repair costs he incurred. I also think it would be fair and reasonable for Admiral to pay 8% interest on these costs.

Mr C explained that his mechanic was able to carry out all the necessary replacement and coding work around the first weekend of September 2024. Having thought about this, I think a fair date would be the week beginning after the replacement was completed. So, Admiral should pay 8% interest on £680 from 9 September 2024 until they refund this payment.

### **What was the impact**

I recognise Admiral's actions have caused trouble and upset to Mr C, over a period of many months. Aside from the repair costs Mr C has incurred, she's also had additional trouble and upset trying to resolve this matter. I haven't detailed everything here - but I've considered Mr C's testimony on how he says he was impacted.

Ultimately, I find that Admiral's handling of this claim meant that Mr C had a poor and stressful claim's experience over and above what I would consider to be reasonable. The issues were ongoing for a number of months, and I think this caused moderate disruption to him. It follows that I think Admiral should pay compensation. And having considered Mr C's testimony, I'm satisfied a sum of £250 is fair and reasonable in the circumstances and reflects the impact Admiral's actions had on him.

### **My final decision**

For the reasons given, it's my final decision that I uphold this complaint. I require Admiral Insurance (Gibraltar) Limited to:

- Reimburse Mr C the cost of having his vehicle's DSC replaced of £680. Admiral should pay 8% simple interest on this sum from 9 September 2024, until it is refunded; and
- Pay £250 compensation for trouble and upset.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 2 May 2025.

Stephen Howard  
**Ombudsman**