

The complaint

Miss L complains that Admiral Insurance (Gibraltar) Limited have declared her car a Category N write off without giving her the information she needed to make a decision about whether to claim, and this has led to her incurring significant costs.

What happened

Miss L made a claim following an accident in which her car sustained damage.

She didn't think it should be a total loss, and so she asked Admiral to let her know whether this was likely before she made a decision about whether to claim.

Admiral didn't do this and declared the car a category N write off, which meant that Miss L's policy was cancelled, and she had no car, as the courtesy car was returned.

Miss L has also complained that Admiral delayed in making the total loss payment, and that the total loss decision has impacted her premiums on her new car.

Admiral upheld Miss L's complaint and agreed that they should have notified her first and have awarded £175 compensation for their error.

Miss L was unhappy with Admiral's response and brought their complaint to us. Miss L has also advised us that she is autistic, and this has increased the distress that this experience has caused her. While her complaint has been with us, Admiral have offered a further £100 compensation, bringing the total to £275.

One of our investigators has looked into Miss L's complaint and she thought this was a fair offer.

Miss L disagreed and so the case has come to me to review.

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.

The total loss decision

Following her accident, Miss L uploaded photos of the damage to her car on 15 February 2024. She emailed Admiral on 29 February 2024 and asked if she could be told in advance if it had the potential to be a total loss, as that would affect her decision on whether to claim. She received an acknowledgement and was advised they would get an estimate for repair.

On 12 March, Admiral wrote and advised Miss L that her car was a Cat N total loss, as it was uneconomical to repair.

Miss L complained as she said that she had specifically asked to be told if it was likely to be a

total loss in advance and that Admiral has restricted her choices.

So, I've thought about whether Admiral acted reasonably here, and what impact this has had on Miss L.

Admiral have said that they are often unable to confirm whether a vehicle is repairable without examining it, as often there is damage beneath the outer panels which would be unrepairable, or expensive to repair. And so, I don't think Admiral have acted unfairly in asking for the vehicle to be examined before they could make that decision. Unfortunately, once it has been examined, the engineer makes the decision about whether it is uneconomical to repair. However, I do agree that it should have been made clear to Miss L that once the car was examined, the decision would be made. She would then have had the option to choose to get her own quote for repairs first. So, I accept that this loss of choice is a service failing that Admiral should compensate Miss L for.

However, I'm not satisfied that ultimately it would have made any difference to the outcome. The car had sustained significant damage requiring replacement of the bumper and brackets at the rear which is likely to have been costly to repair – Admiral's garage's estimate indicates that. In that case, Miss L would have either had to go back to the insurer and proceed with the claim or incur significant costs for repairs on a car which may then have been difficult to sell, and although Miss L says she would have chosen to repair it herself, we can't be certain of this given the damage, and if she was inclined to do this I would have expected her to get an estimate herself first.

I can also see that Admiral wrote back to Miss L advising of her options after she was advised about the write off decision. They advised she could accept it and receive the market value of the car, accept it and buy back the salvage to have repaired herself, or if she disputed the decision on total loss, she could have the car back and obtain her own engineer's quote for repair which they would consider. So even after the write off decision, she had the option to challenge this with her own repair estimate but didn't do so. She also chose not to retain the salvage and have it repaired. So, I don't think I can fairly ask Admiral to compensate Miss L for the additional costs that she incurred from choosing to purchase a new car instead. While I can understand why she did this, the options were clear to her, and I don't agree that it was too late to keep the car and challenge the decision.

Miss L has also complained that the premiums on her new car have increased significantly, and this is being dealt with under a separate complaint.

Communication

Admiral have accepted that they should have communicated with Miss L more clearly both about the process before the car went to the assessor and also about the conditions surrounding a courtesy car, and I agree with this. Miss L has said that she believes Admiral have discriminated against her because of her autism, but I haven't seen any evidence of this. Admiral weren't aware of Miss L's autism at the time that they failed to explain the process properly, and so while I think this is poor service, I can't fairly say that this in any way influenced their error and had they been made aware earlier, they could have made appropriate adjustments.

I can see that Admiral have offered a total of £275 by way of an apology here, and I think that seems a fair figure taking into account the lack of communication about process and courtesy cars, balanced against how that may not have impacted the outcome regarding the vehicle, and Miss L's choice to proceed with the write off and buy a new car.

Putting things right

In order to put things right, Admiral should:

- Pay Miss L a further £100 bringing her total compensation to £275.

My final decision

I'm upholding Miss L's complaint about Admiral Insurance (Gibraltar) Limited and directing them to put things right as above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 5 June 2025.

Joanne Ward
Ombudsman