

The complaint

Mr and Mrs M are unhappy with the way Admiral Insurance (Gibraltar) Limited have dealt with a claim on a car insurance policy.

What happened

An attempted theft of Mr and Mrs M's car caused damage to it, so they made a claim to Admiral for its repair. The repair of the car took around five months and there remains a dispute about whether some outstanding issues are related to the attempted theft of the car or its subsequent repair.

In summary, Mr and Mrs M complain about the following issues:

- Loss of use of the car – there were problems getting a courtesy car initially and when they did get one, it was too small to accommodate their family of five. They incurred additional costs in the meantime hiring a car from a friend, taking taxi's or making other arrangements.
- Poor communication – they constantly had to chase for updates, call backs were not arranged as promised and hold times on the phone were excessive.
- Inconsistent information was given about the progress of repairs and what would be fixed. At times they were told repairs had been completed, only to later be told they hadn't been. They were also told a market value payment for the car could be considered rather than it being returned to them, but this offer was later withdrawn.
- Excessive delays – The repairs took over five months to complete and still not everything has been fixed. They think Admiral should have arranged an independent inspection of the car at the start of the process to resolve any issues regarding confirming damage associated with the attempted theft, rather than disputing matters at the end.
- They owned an electric car but were given a petrol courtesy car which went against their environmental values and meant they incurred increased running costs.

At the point the complaint came to this service Admiral have made offers totalling £700 compensation for distress and inconvenience, £25 for call costs, £20 for cost of taxis, £420 for the loss of use of the car, £80 for hire of a friends car and had upgraded the courtesy car from the policy requirement of a Category A, small car, to a Category C. Admiral also offered to pay an additional £200 compensation to Mr and Mrs M when providing its file to this Service.

In respect of the outstanding issues - bonnet, front light, engine management light and internal trim, Admiral has offered to arrange an independent inspection of the car to determine if these are related to the attempted theft. Admiral has also said it would accept a report from a main dealer on these issues if Mr and Mrs M would prefer to obtain it themselves.

An Investigator looked at the complaint and explained to Mr and Mrs M that he thought what Admiral had offered to put things right was sufficient. Mr and Mrs M disagreed and asked for an Ombudsman to review the complaint.

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.

Having done so, I agree with the conclusion reached by the Investigator for the following reasons:

- It is clear the claims journey that Mr and Mrs M experienced was far from satisfactory. I don't need to go into this in detail as Admiral have admitted this. My role therefore is to consider if what it has done to put things right is fair and reasonable.
- I'm conscious the attempted theft was noticed in March 2024. The car was collected in April 2024 and returned at the end of August 2024. So, this was a period of over five months. During that time, Mr and Mrs M either had a courtesy car (disregarding the issues about its size) or they have been compensated for the additional costs they incurred hiring another vehicle or, for loss of use. While I don't doubt this was inconvenient, which I'll come to later, I think Admiral has done enough here to put things right. Admiral authorised a courtesy car higher than the entitlement on the policy, to reduce the inconvenience to Mr and Mrs M, which I think is reasonable.
- While I understand the courtesy car was petrol and not electric as Mr and Mrs M had, this would have been determined by the availability at the supplier. The policy doesn't determine that it should be the same as the insured car.
- The policy allows Admiral to either repair the car or make a payment to Mr and Mrs M in respect of its market value. I understand Mr and Mrs M are disappointed Admiral was not able to go ahead with a market value settlement as this would have resolved the matter for them. However, I can't force it to do so now. Admiral has made payment for parts and repairs in line with the policy terms.
- I realise how frustrating it would have been for Mr and Mrs M to raise the issue of the bonnet and front light at the start of the claim, to be told part way through these were being repaired and then when the car was ready to be returned, be told Admiral believes they are unrelated to the attempted theft. I do agree this should have been raised with them earlier and an inspection undertaken to resolve the matter. However, the policy does only require Admiral to repair damage related to an insured event. Where there is any dispute about this, I would expect an independent examination to be arranged or offered. As Admiral has done so here, I think this is reasonable. Mr and Mrs M will need to let Admiral know if they are happy for this to be arranged, or they will need to arrange for their own report to be provided.
- Admiral has said the independent inspection should also cover the issues with the engine management light and the interior trim. I think this is reasonable.
- Mr and Mrs M have set out the impact the delays and progression of this claim have had on them; I'm satisfied that Admiral have accounted for the practical inconvenience of being without their own car. But I'm mindful that Admiral actions have caused a significant amount of frustration and effort in terms of chasing for updates and the progress of the claim. Overall, Admiral has offered £900 compensation for distress and inconvenience, having considered everything I think this is fair and reasonable it reflects the substantial upset, inconvenience and disruption Mr and Mrs M have been caused over many months.
- It isn't within my remit to direct how an insurer should operate so I won't be able to direct it work outside of its normal claims process. The relevant industry rules do require insurers to deal with claims in a timely manner and therefore I would expect Admiral to do so going forward, once Mr and Mrs M let it know how they wish to proceed regarding the independent inspection. I would also expect timely updates are given to them as

required. I can see Admiral has already recognised the impact of Mr and Mrs M being delayed on the telephone by offering £25 for call costs, I think this is reasonable.

For the reasons above, I uphold Mr and Mrs M's complaint.

My final decision

My final decision is that I uphold Mr and Mrs M's complaint against Admiral Insurance (Gibraltar) Limited. If it has not already done so, I direct it to pay the additional £200 compensation it has offered to Mr and Mrs M.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 15 July 2025.

Alison Gore
Ombudsman