

The complaint

Mrs G complains about how Admiral Insurance (Gibraltar) Limited has handled a claim made on her motor insurance policy. She wants it to settle her claim and pay her compensation for her costs incurred in the meantime due to its delays.

What happened

Mrs G said her car was damaged by vandalism, and she made a claim on her policy. Admiral agreed to repair her car, but Mrs G wanted it to pay her the repairs estimate as a cash settlement. After further consideration, Admiral said the car was a total loss and it would pay Mrs G the car's pre-loss market value. But Admiral didn't then provide a valuation.

Mrs G provided her own estimate of this. But Admiral said it would base its valuation on the motor valuation guides. Admiral agreed that it had caused unnecessary delays in the claim and that its poor communication and change in decision had caused Mrs G stress. And it offered her £250 compensation for this. It also said it would consider evidence of Mrs G's expenses.

Mrs G was very unhappy with her claim journey and that she still hadn't received a settlement and so she brought her complaint to our service. She said she had incurred hire charges and storage costs due to Admiral's delays. She wanted Admiral to compensate her for this and to pay her either the valuation she had provided, with interest, and allow her to retain the salvage, or to pay her the repairs cost. And she wanted £5,000 compensation for the impact on her health.

our investigator's view

Our Investigator didn't recommend that the complaint should be upheld. She couldn't consider the valuation dispute as a settlement figure had yet to be provided when Admiral responded to Mrs G's complaint. She thought Admiral was entitled by the policy's terms and conditions to decide how to settle the claim. And she thought it had reasonably decided to deem the car to be a total loss based on the repairs estimate.

She thought Admiral had reasonably accepted that it had caused delays in the claim and had offered to consider evidence of Mrs G's losses. But Mrs G had yet to provide these. And Mrs G hadn't yet provided Admiral with requested information for it to validate her claim. She thought Admiral's offer of compensation for its poor communication and delays was fair and reasonable.

Mrs G replied asking for her complaint to be reviewed by an Ombudsman, so it's come to me for a final decision. She said Admiral had agreed to pay the repairs cost and the valuation she had later provided. She said it had failed to collect her car as it had said it would. She said there was nothing to clarify about the claim as Admiral had all the information about the incident.

my provisional decision

After considering all the evidence, I issued a provisional decision on this complaint to Mrs G and to Admiral on 16 June 2025. I summarise my findings:

From what I could understand, the claim was now about a year old, and I could understand that Mrs G felt frustrated and stressed that it had yet to be settled. I could see that she had explained her position and concerns several times, both to Admiral and to our service. And I considered these submissions alongside Admiral's file.

Mrs G described what had led to her claim. She said her car was vandalised. This was caught on a neighbour's CCTV camera. Mrs G said she reported this to the police and to Admiral and uploaded the CCTV evidence and crime reference number to Admiral's website. The police were unable to identify the vandals and so their case was closed.

From what I could understand, Mrs G didn't then make a claim on her policy as she thought her garage could polish out the scratches made by the vandals. It took her three months to get her car booked into her garage for an inspection. And then a further five months for the garage to produce a report giving a repairs estimate. This was much higher than Mrs G expected and so she then made a claim on her policy.

Admiral later thought that Mrs G had had the repairs estimate made before the incident. But I thought it had confused the date of the incident with the date that Mrs G later made her claim. Mrs G said the repairs estimate hadn't been made prior to the claimed for incident, as confirmed by a dated police report. And she provided us with the reports from the police.

I looked at these reports, and I shared them with Admiral. I could see that the reports were dated some eight months before Mrs G made a claim to Admiral. And they were consistent with her version of events that the police couldn't identify the suspects.

Mrs G also provided evidence that Admiral had requested the reports and the CCTV evidence and that these were uploaded to its portal at that time. I noted that in the information request from Admiral (with the same claim number as later recorded) Mrs G said the incident date was the date of the engineer's report, which I thought was an error on her part.

I also noted that the person who uploaded the CCTV footage for Mrs G said he didn't receive a confirmation from Admiral. But Mrs G provided a screenshot showing that some of the task was done as it then allowed her to provide an "Update" rather than "Submit" the evidence. And, in any case, she provided an email from the police confirming the CCTV footage was reviewed by it.

Admiral said that the above screenshot didn't provide evidence of what was uploaded. And I agreed. But I noted that Admiral later accepted Mrs G's claim and progressed it without requesting further evidence from her. So, although I couldn't identify this from the evidence Admiral provided, I concluded that the claims handlers at the time were satisfied with the validity of the claim and the evidence that Mrs G provided.

So I thought Mrs G had provided evidence to show that the incident occurred in October 2023, as she had always maintained. I thought she had consistently explained why she didn't then make a claim on her policy until June 2024. She then provided a background to her claim which Admiral then accepted. Admiral said the date of the loss was "updated" when Mrs G made her claim. But I couldn't reasonably hold Mrs G responsible for Admiral's system.

And I noted that in November 2024 Admiral accepted that Mrs G was on cover at the time of the incident and so the incorrect date of loss shouldn't affect her claim. And so I thought it was unfair for Admiral to further request Mrs G to explain the date of her loss or to delay progressing her claim because of this.

Admiral had firstly agreed to pay for the repairs to Mrs G's car. But Mrs G wanted it to pay her this amount directly. Admiral declined to do this. I could see that Mrs G's policy explained that it was for Admiral to decide how to settle her claim. Some insurers may agree to pay cash in lieu of repairs. But I thought Admiral was entitled by the policy's terms and conditions to decline to do this.

Admiral's engineer then reviewed the estimate further and decided that due to the cost the car was uneconomical to repair. I could understand that Mrs G may have been frustrated by this decision. But I didn't think it was unusual for an insurer to change its decision about whether it was better to repair a car or deem it to be a total loss. And I thought Admiral reasonably offered Mrs G £250 compensation for the trouble and upset this change, and its delays, caused her.

Mrs G said she hadn't received this amount. And Admiral explained that this was because it needed to validate her details before it could issue an electronic payment. To do this, it needed a bank account for Mrs G that was linked to a UK address. And it explained what she needed to provide for this validation. I thought it was reasonable for Admiral to request Mrs G to provide it with these details for it to make this and any other payments. So I couldn't hold Admiral responsible for the failed payment.

Mrs G then put her car into storage as she thought it was undrivable due to its salvage status. But I could see from Admiral's file that the car was still roadworthy, and no MOT was required should the car's salvage be retained. So I couldn't say why Mrs G didn't continue using her car. Or why she left it with her garage for so long after it had inspected it.

Admiral had yet to make a total loss offer to Mrs G. And so I couldn't consider here the valuation aspects of her complaint made to us. Mrs G said Admiral had accepted the valuation she had provided. But I hadn't seen evidence of this agreement.

If Admiral makes Mrs G a settlement offer that she's unhappy with, then after she complains to Admiral she can always bring her complaint to us. I noted Admiral had already pointed out to Mrs G that under the policy's terms and conditions, if a total loss offer is accepted, then it is entitled to retain the salvage. We think this is fair and reasonable unless the consumer wants to retain the salvage, which Mrs G has said she does. But we would expect Admiral then to deduct the salvage amount from any settlement.

Admiral offered to consider evidence of Mrs G's expenses incurred whilst she waited for it to progress her claim. Mrs G had now provided us with a list of those expenses which we forwarded to Admiral for it to consider. This included Mrs G's claim for the recovery and storage of her car after she had to remove it from the garage. If Mrs G is unhappy with its response, then after she complains to Admiral and if she remains unhappy, she can always bring her complaint to us.

I noted that Mrs G had declined any further contact with Admiral except through our service. But we're not claims handlers. So Mrs G would need to engage with Admiral if she wanted to progress her claim.

So I thought Mrs G had reasonably shown that she had provided Admiral with the evidence of the loss, at the date of loss, that was the basis of her claim. After the initial delays, I thought Admiral reviewed this and decided in November 2024 to progress the claim. But it didn't and this caused Mrs G avoidable trouble and upset.

I thought it was for Admiral to progress the claim in keeping with the policy's terms and conditions. I also thought Admiral needed to reasonably consider that the unnecessary request for evidence caused further avoidable delays in the claim and that it should compensate Mrs G accordingly. Mrs G had to make repeated submissions and explanations to repeat her version of events. This caused her stress and frustration over many months.

But I also noted that Mrs G could have resent Admiral the information it requested about the police and CCTV when it requested this in November 2024. I could understand Mrs G's frustration with the claim handling, but this may have moved things on at the time. Nevertheless, I currently thought Admiral should pay Mrs G £500 compensation for the impact of this delay, in keeping with our published guidance. I'd already asked Admiral to consider further compensation, but it had declined to offer any.

And I also thought Admiral needed to reasonably consider Mrs G's evidence of her expenses incurred due to delays in her claim.

Subject to any further representations from Mrs G and Admiral, my provisional decision was that I intended to uphold this complaint in part. I intended to require Admiral Insurance (Gibraltar) Limited to do the following:

1. Progress Mrs G's claim in keeping with the policy's terms and conditions.
2. Consider Mrs G's expenses incurred due to any avoidable delays in progressing her claim.
3. Pay Mrs G £500 further compensation for the distress and inconvenience caused by its avoidable delays in progressing her claim.

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 replied that it had nothing further to add. Mrs G replied that she agreed with most of my decision apart from some aspects.

Mrs G disagreed that Admiral was entitled to write off her car after it had already agreed to repair it. But, as I've said above, Admiral is entitled by the policy's terms and conditions to decide how to settle the claim. And it's not unusual for an insurer to change its decision after consideration of engineering reports.

I note that the email Admiral sent to Mrs G stated that it had authorised repairs to be made "...*providing it is economical to do so.*" After review of the estimates, Admiral's engineers decided that the car couldn't be economically repaired. And so I can't say Admiral treated Mrs G unfairly or acted contrary to the policy's terms and conditions when it decided to write off the car.

Mrs G thought it was her right to choose her own repairer and ask for direct payment of the repairs. I agree that Mrs G isn't obliged to use Admiral's approved repairer, and I think Admiral correctly pointed out the advantages of doing this. It's common practice for insurers to have contracts with networks of approved repairers to reduce the costs of repairs. If Mrs G chose not to use an approved repairer, then Admiral would only be obliged to pay what it would cost it for repairs to be done by its approved repairer. And Admiral isn't obliged to pay Mrs G cash in lieu of repairs.

Mrs G quoted Admiral as saying that she could pay for the repairs herself to avoid her No Claims Bonus (NCB) being affected. This is commonly described as "buying back" a claim, and many insurers allow consumers to reimburse the cost of repairs to avoid an effect on their NCB. But this doesn't mean that Admiral has agreed to pay Mrs G the repairs estimate directly.

Mrs G thought Admiral was being punitive in threatening to send a claims investigator to interview her. But, whilst I can understand Mrs G's upset, I don't think this is unusual where there's concern about claim circumstances and Admiral is entitled to take reasonable steps to validate a claim.

I can understand that Admiral thought this might clarify the confusion over the date of the loss. But, as I've said above, I'm satisfied this has already been resolved by the police reports Mrs G has provided.

Mrs G has raised concerns about the car's recovery and storage costs after she had to remove her car from the garage when Admiral didn't remove her car to free storage as it had said it would do. But I'm satisfied that I have already discussed this above. And if Mrs G

remains unhappy with Admiral's consideration of her costs for this, then she should firstly complain to it.

Mrs G lastly asked for Admiral to add interest to any claim settlement. And I would remind Admiral that our approach is that this is fair and reasonable where a consumer has been without their money due to business error. And I would expect Admiral to consider this when making any payment in settlement of Mrs G's claim.

So, in conclusion, I can understand Mrs G's continued frustration with the delay in her claim being settled. But I haven't seen any further evidence to persuade me to change my provisional decision.

Putting things right

I require Admiral Insurance (Gibraltar) Limited to do the following:

1. Progress Mrs G's claim in keeping with the policy's terms and conditions.
2. Consider Mrs G's expenses incurred due to any avoidable delays in progressing her claim.
3. Pay Mrs G £500 further compensation for the distress and inconvenience caused by its avoidable delays in progressing her claim.

My final decision

For the reasons given above, my final decision is that I uphold this complaint in part. I require Admiral Insurance (Gibraltar) Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 6 August 2025.

Phillip Berechree
Ombudsman