DRN-5700826

The complaint

Mr L complains about how Admiral Insurance (Gibraltar) Limited handled a claim on his car insurance policy.

What happened

Mr L's car unfortunately suffered flood damage in September 2024. He called Admiral to raise a claim. Admiral completed a desk top assessment and wrote Mr L's car off. Mr L was unhappy and asked for it to be assessed by a garage. Admiral didn't have an approved repairer locally that could review flood damage. Mr L arranged for his car to be towed to a local garage to inspect his car.

Mr L's garage thought the car was repairable and sent repair information to Admiral. Admiral said there wasn't enough information provided to assess the claim. Mr L paid for repairs himself, withdrew the claim and raised a complaint about the following issues:

- His car was deemed a total loss without being assessed in person.
- He hasn't been refunded for arranging recovery to his garage.
- The repair wasn't approved and as a result he's out of pocket.
- He was unhappy he wasn't given a courtesy car.

Admiral partially upheld the complaint. Whilst they didn't think they'd done anything wrong in not approving the claim, they agreed there was a delay in their in-house engineer assessing the claim. They offered Mr L £25 compensation. Mr L was unhappy and brought the complaint to this service.

Our investigator didn't uphold the complaint. They didn't think Admiral had done anything wrong in not approving the claim. Mr L appealed. He still felt the claim should have been approved. As no agreement could be reached, the complaint has been passed to me to make a final decision.

Because I disagreed with our investigator's view, I issued a provisional decision in this case. This allowed both Admiral and Mr L a chance to provide further information or evidence and/or to comment on my thinking before I made my final decision.

What I provisionally decided – and why

I previously issued a provisional decision on this complaint as my findings were different from that of our investigator. In my provisional decision, I said:

"*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

Based on what I've seen so far, I intend to uphold this complaint. When considering complaints such as this, I need to consider the relevant law, rules and industry guidelines.

The relevant rules, set up by the Financial Conduct Authority, say that an insurer must deal with a claim promptly and fairly, and not unreasonably decline it. So, I've thought about whether Admiral acted in line with these requirements when it declined to settle Mr L's claim.

At the outset I acknowledge that I've summarised his complaint in far less detail than Mr L has, and in my own words. I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I'm satisfied I don't need to comment on every individual point to be able to reach an outcome in line with my statutory remit.

I've set out my findings for each of Mr L's complaint points separately below.

Mr L's car was deemed a total loss without being assessed in person.

When Mr L notified Admiral of his loss, Admiral completed a desktop assessment based on the information provided by Mr L. This isn't unusual and is a way insurers can keep costs down. So, I don't think it's unreasonable for Admiral to have done this. I would expect an insurer to get a further opinion should the customer want one. In this instance, Admiral didn't have an approved repairer that could do this. However, Admiral agreed to review any estimates Mr L was able to arrange himself.

Mr L hasn't been refunded for arranging recovery to his garage.

As Admiral didn't have an approved repairer that could assess his car, Mr L was required to find one himself. Mr L also paid the recovery fee in getting the car to the garage. The policy terms and conditions say the following:

"We will pay reasonable charges for safeguarding your vehicle and getting it to and from the repairers"

Had Admiral had an approved repairer that could have assessed Mr L's car, Admiral would have covered the cost of getting the car to the garage. I don't think it's fair that Mr L has had to cover this cost himself just because Admiral didn't have an approved repairer. So, I think Admiral should cover this cost. Mr L has provided us with his recovery invoice, and this can be sent to Admiral if requested.

The repair wasn't approved and as a result he's out of pocket.

I've reviewed the information sent from Mr L's garage to Admiral. Initially an email was sent which set out about what they'd done and were looking to do. This was followed up with a cost estimate for parts that were needed. Admiral's engineer advised that they needed a fully costed estimate with the vehicle's details (make, model, registration and VIN) and photos. The day after Admiral's engineer assessed Mr L's car and prior to this information being reported back to Mr L's garage, Mr L contacted Admiral and withdrew his claim.

Based on the information supplied by Mr L's garage to Admiral, I don't think it's unreasonable for Admiral to not have approved the repair. So, I don't think they did anything wrong. However, there was a delay in Admiral's engineer assessing the information which Admiral has offered Mr L £25 compensation for. I think this is fair in the circumstances. It doesn't appear that this has been paid to Mr L yet, so I intend to tell Admiral to pay this. Admiral have said that if Mr L wants them to reopen the claim and assess it further then they will. I note Mr L now has a costed invoice from his garage. It's unclear if Mr L has provided *this to Admiral to help assess the claim. If not, Mr L can send this to Admiral, and I'd expect Admiral to review the claim further.*

Mr L was unhappy he wasn't given a courtesy car.

The policy terms set out the following:

"Our approved repairers, or another company instructed by Admiral will:

- *As an additional benefit of your policy, give you a courtesy car while your vehicle is being repaired"*

Admiral agreed that Mr L could have access to a courtesy car. However, in line with the policy terms, this would only be during repairs after they'd been approved. In this case, as set out above, as I don't think Mr L's repairer had provided enough information to validate the claim, I don't think Admiral did anything wrong in not supplying a hire car."

I set out what I intended to direct Admiral to do to put things right. And gave both parties the opportunity to send me any further information or comments they wanted me to consider before I issued my final decision.

Responses to my provisional decision

Admiral accepted my provisional decision. Mr L said he was happy to accept my provisional decision on the basis that Admiral accepted his claim in full.

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.

I've thought carefully about the provisional decision I reached. Having done so, and as neither party has provided anything which could lead me to depart from my provisional decision, my final decision remains the same as my provisional decision, and for the same reasons.

I believe Mr L will be submitting further information to Admiral in relation to his claim. This isn't considered as part of this complaint. If Mr L is unhappy with the outcome Admiral provide after assessing the new information, he will need to raise this as a new complaint.

Putting things right

To put things right, Admiral should do the following:

- Pay Mr L £25 compensation for the trouble and upset caused due to the delay in their engineer assessing the claim.
- Pay Mr L £151 to cover the cost of towing his car to the garage.
- Pay Mr L 8% simple interest* on the £151 payment from 24 September 2024 to the date Admiral make payment.

* If Admiral considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr L how much it has taken off. It should also give Mr L a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

My final decision

For the reasons I've explained above, I uphold this complaint and direct Admiral Insurance (Gibraltar) Limited to put things right by doing as I've said above, if they haven't already done so.

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

Anthony Mullins
Ombudsman