

## The complaint

Mr M complains that Admiral Insurance (Gibraltar) Limited won't pay costs he incurred following a claim on his European breakdown policy.

## What happened

In March 2024, Mr M called Admiral for help under his European breakdown policy when his vehicle broke down. The vehicle was recovered to a local garage and assessed for repairs.

Mr M was unhappy with Admiral's response. It told him it could only arrange for his vehicle to be repatriated once the vehicle had been assessed and the fault diagnosed. Mr M was also unhappy the local garage asked him to pay almost €1,000 to repair the vehicle. In the end he arranged for the vehicle to be repaired himself.

By the time it was repaired, the vehicle's MOT had expired. Mr M asked Admiral to recover the vehicle back to the UK. Admiral explained that his vehicle had been repaired and his policy didn't cover repatriation in these circumstances. Mr M returned to the UK. He told us his vehicle was "*confiscated*" on or around 1 August 2024.

Mr M says he incurred the following costs as a result of Admiral's response to his claim:

- £480 for repairing the vehicle: £70 for diagnostics and £410 for replacement parts.
- €6,000 for accommodation between 28 March 2024 and 31 March 2025
- €3,000 for his vehicle.

Admiral declined to refund these costs. It said, in summary, that none of the expenses Mr M claimed were covered by his policy. It explained this in its 14 March 2025 email to Mr M:

*"Repairs are not covered under the policy, nor are the actual [p]arts... The storage of personal belongings are not covered... Personal belongings are the responsibility of the owner at all times and that includes any costs associated with your belongings. Accommodation costs on your claim form say €6000 for 28-31 March (3 nights)<sup>1</sup> but the limit being £150 per person per night, but that is only for emergency accommodation so you would have to send evidence that you had already paid for accommodation elsewhere which you couldn't get to."*

Mr M was unhappy with this and complained to this service.

Our investigator didn't recommend that the complaint should be upheld. She didn't think Admiral was liable for anything that happened after Mr M's vehicle had been repaired in May 2024, including its seizure by authorities. She was satisfied that the cost of storing personal belongings wasn't covered by the policy. She explained that if Mr M provided evidence of his emergency accommodation before the vehicle was repaired, and evidence of any costs incurred by changing his travel plans, Admiral should review these.

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<sup>1</sup> In fact, the claim is €6,000 for the period 28 March 2024 to 31 March 2025, so just over a year rather than three nights.

Mr M didn't agree with our investigator, so the complaint was passed to me to make a final decision.

### **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 our investigator's conclusions. I'll explain why.

First, Mr M's complaint about Admiral's initial response when his vehicle broke down has been considered separately by another ombudsman. She found that Admiral gave Mr M incorrect information about his cover and should have arranged to repatriate the vehicle. She awarded Mr M £200 compensation for the distress and inconvenience this caused him.

She also explained that Admiral hadn't seen evidence of the additional losses Mr M says he incurred. He provided this, so she asked Admiral to review it and – if appropriate – refund these consequential losses, plus interest. The issue for me to decide is whether Admiral acted fairly when it declined Mr M's claim for these consequential losses.

Mr M is claiming three separate amounts: £480 for repairs to his vehicle, €6,000 storage, and €3,000 for his vehicle. He provided evidence for only one of these: invoices for renting office space at €440 per month from April to December 2024. (Mr M also provided some energy bills. I'm not clear how these are relevant to his claim.)

I'll take each of these costs in turn.

First, Mr M's policy only covers him for the vehicle's roadside repair or recovery. Section 6.4 excludes "*the cost of any parts, components or materials used to repair the vehicle.*" So he'd need to claim the repair costs under his motor insurance.

Second, I think the largest amount claimed by Mr M is wrong. The invoices he supplied show he was paying €440 per month for the office rental, not €500. So I think the claim for this should be €5,280.

However, I don't think Admiral needs to refund this. Admiral's notes show Mr M said the vehicle was repaired by 16 May 2024 and he returned to the UK soon after. So it looks like the cost of renting office space was for storing Mr M's personal belongings, rather than accommodation for him and his father.

As Admiral explained, section 6.15 of the policy excludes "*personal belongings and items in your vehicle*". I don't think this is unreasonable. An insurer wouldn't expect a policyholder to store personal belongings in their vehicle and wouldn't typically insure it for that purpose.

I've thought about whether it was fair for Admiral to rely on this exclusion in this case. Mr M told us – in broad terms – what was in the vehicle. And while I understand why he would want to find somewhere safe for these items while the vehicle was being repaired, it doesn't mean Admiral should cover the cost of finding somewhere to store them.

Also, I don't understand why Mr M is claiming storage for a full calendar year. While I understand that problems with his vehicle would have caused short-term issues, it was repaired by 16 May. Mr M hasn't explained why he needed the storage space beyond that date instead of returning his belongings to his vehicle. And he hasn't explained why he needed an office to store them, rather than a standard storage facility. I see no evidence that Mr M has tried to mitigate these costs and I see no reason why Admiral should have to

refund them.

Finally, I think Admiral was mistaken when it said Mr M was claiming an additional €3,000 for accommodation. I think this is his valuation of his vehicle and he wants Admiral to pay this because it was seized by local authorities.

I think this is a stretch. As I've said, the vehicle was repaired by 16 May. Mr M says it was seized on or around 1 August 2024. So it was seized two and a half months after it was repaired. I found no evidence that Mr M tried to have it repatriated himself. It was, presumably, driveable so he could have arranged for it to be driven back to the UK. I recognise that the vehicle's MOT had expired but there's no evidence Mr M tried to resolve this or investigated how to get the vehicle home without an MOT.

Also, I think it's unlikely that an overseas authority would seize a UK-registered vehicle for not having an MOT. I think it's more likely the vehicle was impounded for failing to comply with local laws, for example parking regulations. And I haven't seen any evidence that Mr M can't get his vehicle back. I don't see any reason why Admiral should pay Mr M's estimate of the vehicle's valuation.

In my opinion, Mr M is entitled to certain consequential losses directly related to Admiral's failures in its initial response to his claim. That is: any emergency accommodation costs, rescheduled travel costs, or vehicle storage costs until it was repaired. But this doesn't include any costs related to his personal belongings or repairing his vehicle.

For the reasons set out above, I'm satisfied that Admiral's decision to decline Mr M's claim for costs was fair. If Mr M provides evidence of emergency accommodation for himself and his father during the period he was without his vehicle, or evidence that he incurred additional travel expenses because of this, I'd expect Admiral to review these.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mr M to accept or reject my decision before 8 December 2025.

Simon Begley  
**Ombudsman**