

## **The complaint**

Mr G complains about Admiral Insurance (Gibraltar) Limited (“AIL”) and their handling of the claim he made on his motor insurance policy, following a non-fault road traffic accident.

## **What happened**

The claim and complaint circumstances are well known to both parties. So, I don’t intend to list them chronologically in detail. But to summarise, Mr G held a motor insurance policy, underwritten by AIL, when he was involved in a non-fault road traffic accident. So, he contacted AIL to make a claim.

But Mr G was unhappy with the service AIL provided. So, he raised a complaint. His complaint included, and was not limited to, his unhappiness with AIL’s valuation of his car, their referral of his claim to an accident management company, who I’ll refer to as “X”, and the overall service provided to him which included a lack of updates and the provision of conflicting information.

AIL responded to Mr G’s complaint and upheld it in part. They felt the valuation placed on Mr G’s car was a fair one, in line with motor trade guides and standard industry approach. So, they didn’t offer to increase the payment already made to him. But they accepted there had been failures in the service they provided, and they paid Mr G a £200 compensatory payment to recognise the inconvenience this had caused. Mr G remained unhappy with this response, so he referred his complaint to us.

While the complaint was with our service, AIL offered to increase the compensation paid by a further £100, to £300 in total. Mr G didn’t accept this, so our investigator continued to consider the complaint.

Both parties have had sight of our investigator’s outcome, so I won’t be recounting it in detail. But in summary, they set out why they thought AIL’s valuation of Mr G’s car was a reasonable one. And, why they thought the £300 offered by AIL was a fair offer to recognise the impact he had been caused by AIL’s services failures. So, they didn’t recommend AIL do anything more.

Mr G didn’t agree, providing several comments setting out why. These included, and are not limited to, his continue belief that £300 failed to recognise the level of service he had received and the impact this had caused him. Mr G also explained he was unable to purchase a car he felt was a similar make, model and specification with the payment AIL made based on their valuation of his car, so he reiterated his request for this to be increased.

And Mr G also reemphasised his unhappiness with AIL’s referral of his claim to X, which he felt failed to adhere to guidance provided by our service in the years prior.

Our investigator considered Mr G’s comments, but their opinion remained unchanged. As Mr G continued to disagree, the complaint has been passed to me for a 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'm upholding Mr G's complaint. But I won't be directing AIL to do anything more than the increased offer they have already put forward, for broadly the same reasons as our investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

Before I explain why I've reached my decision, I want to set out what I've considered, and how. I note our investigator has already made Mr G aware that any issues he raised after he made his first complaint to AIL, which led to their complaint response on 20 May 2025, would need to be addressed by AIL and if necessary, our service separately. And from what I've seen, I'm satisfied Mr G accepted this stance, so I don't intend to labour this point. But for completeness, I want to reiterate the advice provided by our investigator and clarify that any points not addressed by AIL in their complaint response issued on 20 May 2025 haven't been considered within this decision.

I also want to make it clear to Mr G that, while I recognise he is unhappy with how AIL handled his complaint, this isn't something our service can consider or compensate him for. This is because complaint handling is an unregulated activity and so, falls outside of our services jurisdiction. So, any issues Mr G has raised about the way AIL handled his complaint, and the impact this had on him, hasn't impacted the decision I've reached.

Instead, my decision will focus on the complaint points addressed in AIL's complaint response issued on 20 May 2025. And I want to reassure Mr G I've considered all his comments, and the information he's supplied, that relate to these points in detail even if I don't comment on them directly due to the informal nature of our service.

I note AIL have already upheld part of Mr G's complaint, making offers of compensation to recognise this. So, my decision will first focus on the complaint point that remains in dispute, which centres around the valuation of Mr G's car.

### *Valuation*

Our investigator already laid out our services approach to motor valuation cases in detail in their outcome. So, I won't repeat it again, as I don't believe this would be worthwhile. But to clarify, it's not my role nor the role of our service to determine the value of a car that's written off. Instead, it is my role to consider the offer AIL made, to decide whether it was calculated fairly, in line with our services and standard industry approach.

This approach expects an insurer such as AIL to use the industry recognised trade guides to obtain their valuation. This approach is in place to ensure all customers are treated fairly, regardless of the insurer they use. And alongside these valuations, we also consider any engineer's reports, expert opinions or adverts that a customer, or insurer, feel support their position regarding the valuation.

I've seen the terms and conditions of the policy AIL provided. And I'm satisfied they make it reasonably clear the approach outlined above is the one they use, to provide their customers with the market value of their vehicle, immediately before the loss occurred.

So, I've then considered the trade guide valuations and other evidence against AIL's valuation of £16,485. And having done so, I'm satisfied this offer was a fair one, calculated in

line with the approach I'd expect, as I'm satisfied it provided Mr G with a fair payment that ought to have allowed him to purchase a car similar to the car that was written off due to the accident. So, I'm not directing AIL to increase the total loss payment they have already made on this occasion.

I understand this isn't the outcome Mr G was hoping for. And I want to reassure him I've thought carefully about the arguments he's raised that relate to the optional extras his car held, its status as a "{manufacturer} Approved Used Car" and his belief that the payment didn't allow him to purchase a like for like replacement. But I've seen evidence of trade guide valuations being obtained with the optional extras being considered, and these didn't have an impact on the car's value. Nor am I satisfied the car's status as manufacturer approved would necessarily increase its value, as this would be dependent on the value of this status to any prospective buyer. So, while I do recognise Mr G's unhappiness here, I'm unable to say AIL have done something wrong that should lead them to make an increased payment.

I must be clear this is separate to Mr G's issue regarding the initial valuation AIL made, which was based on an estimated mileage, rather than the actual. I note AIL accepted their error here and the impact of this was included in their offer of compensation. So, I will return to this point when considering what AIL should do to put things right.

With that in mind, I note that in AIL's complaint response, and further offer made while the complaint was with our service, they have accepted their service fell below the standard they expect. In summary, they accepted they didn't make the initial referral to X clear, that they failed to provide clear and meaningful updates, with conflicting information being provided during the claim and regarding the policy cancellation. So, I'm satisfied the complaint points themselves remain in dispute and because of this, I won't be discussing their merits in detail.

Instead, I will focus on what does remain in dispute, which I'm satisfied centres around what AIL should do to put things right, considering their accepted failures set out above.

### **Putting things right**

When deciding what AIL should do to reasonably put things right, any award or direction I make is intended to place Mr G back in the position he would have been in, had AIL acted fairly in the first instance. And when considering this, I must consider the fact that in any claim of this nature, where an accident has occurred that has caused damage significant enough to deem a car a total loss, a certain level of inconvenience is to be expected through no fault of the insurer.

I also want to be clear that when reaching my decision, any award or direction I make is intended to address the impact felt by Mr G in his own individual circumstance. It isn't intended to punish AIL for the mistakes they made.

In this situation, I'm satisfied there were a series of failures by AIL. It's clear Mr G wasn't made reasonably aware of what a referral to X would mean, as in the days after this referral he returned to AIL to explain he had declined the hire once he became aware of the credit hire terms and that a separate agreement was required. And in general, I'm satisfied Mr G needed to chase AIL for updates, and that when AIL did provide information it wasn't always provided by Mr G's preferred communication method, or fit for purpose.

I'm also satisfied that AIL's first valuation was calculated on an estimated mileage when this didn't need to be the case. And that it was Mr G himself who pointed out the error for it to be rectified.

So, considering the above, I'm satisfied Mr G was caused a level of distress and

inconvenience by AIL's failures. And that it wasn't just an isolated incident, but in fact several failures through different parts of the claim journey, which I've no doubt would have been frustrating and led Mr G to question the fairness of the claim process overall. So, I am persuaded that Mr G should be financially compensated to recognise this.

But I also recognise that in total, AIL have offered to pay Mr G a total of £300 compensation, with £200 having already been paid following their own complaints process. Having considered this offer, I'm satisfied it's a fair one, that falls in line with our services approach and what I would've directed, had it not already been put forward.

I'm satisfied it is significant enough to recognise the fact that there were a variety of failures during the claim process, as I've already discussed above. But I'm also satisfied it fairly reflects the impact caused to Mr G. For example, while it's accepted the referral to X itself was poor, it must also be considered that Mr G didn't use the services of X and so, he wasn't exposed to the potential financial risk he may have been had he continued with X's services.

And, that while AIL's first valuation did use an estimated mileage, when this was pointed out they recalculated their valuation on the actual mileage on the same day and Mr G received a payment based on this. So, in both instances, the impact to Mr G was minimised and I'm satisfied the total payment of £300 fairly takes this into consideration. So, the additional £100 payment to ensure this total amount is received is one I'm now directing AIL to make.

I understand this isn't the outcome Mr G was hoping for. And I don't intend this decision to detract from his lived experiences and how he felt unfairly treated. But when the claim itself is considered holistically, considering it took less than a week from the claim being reported to a valuation payment being made, and then a further week for this to be challenged and a response to this challenge provided, I'm satisfied the impact to Mr G as a whole is fairly recognised within the offer already put forward, although I appreciate Mr G is unlikely to agree.

### **My final decision**

For the reasons outlined above, I uphold Mr G's complaint about Admiral Insurance (Gibraltar) Limited, and I direct them to take the following action:

- Pay Mr G a further £100, to ensure he receives compensatory payment of £300 in total, to recognise the impact he's been caused by their service failures.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 11 November 2025.

Josh Haskey  
**Ombudsman**