

The complaint

Mrs M complains that Admiral Insurance (Gibraltar) Limited mishandled her claim on a motor insurance policy.

What happened

The subject matter of the insurance, the claim and the complaint is a hatchback car, with a sporty petrol engine and first registered in 2018.

Mrs M or her husband acquired the car in about March 2023.

For the year from early July 2023, Mrs M had the car insured on a comprehensive policy with Admiral. The policy covered her as policyholder and her husband as a named driver.

Unfortunately, in late May 2024 a third party accidentally damaged the car in a head-on collision.

Much of the complaint is about acts, omissions or communications of repairers and others on behalf of Admiral. Insofar as I hold it responsible for them, I may refer to them as acts, omissions or communications of Admiral.

Admiral assessed the car and said it could repair it. Admiral did bodywork repairs.

In early July 2024, Admiral found that the accident had damaged the car's engine. Admiral emailed Mrs M saying that the car was a total loss. However by 11 July 2024, Admiral decided to replace the engine.

On about 2 September 2024, Mrs M complained to Admiral that it hadn't spotted the engine damage before doing bodywork repairs. She also complained about ongoing delay in the engine repair and lack of updates.

By a final response dated 19 September 2024, Admiral accepted that complaint and said it was sending Mrs M £150.00 compensation.

Also on 19 September 2024, the repairer said the repair was complete and Mrs M got the car back.

On 20 September 2024, Mrs M complained to Admiral that some of the bodywork panels hadn't been fitted correctly.

On about 23 September 2024, Admiral did rectification work.

By a final response dated 8 October 2024, Admiral accepted the complaint and said it was sending Mrs M £175.00 compensation.

On about 2 December 2024, Mrs M complained to Admiral that there were issues with the engine cooling pipes. Admiral did rectification work.

In early January 2025, Mrs M got the car back.

On about 7 January 2025, the engine management warning light came on and Mrs M contacted the repairer, who collected the car on 10 January 2025.

On about 29 January 2025, Mrs M got the car back. Mrs M complained to Admiral that the engine management light was on.

By a final response dated 30 January 2025, Admiral accepted the complaint. It said the repairer would collect the car on 31 January 2025. Admiral said it was sending Mrs M compensation as follows:

Trouble and upset	£350.00
Loss of use	£ 70.00
Fuel	£ 60.00
Goodwill	£ 25.00
Total	£505.00

The repairer said that the cause of the engine management light is a coolant bypass valve fault. In the repairer's opinion this fault was unrelated to the accident or previous repair work. Mrs M complained to Admiral including about that.

By a final response dated 11 February 2025, Admiral turned down that complaint. It said that the fault was a common one and the car-maker states to replace the main thermostat / water pump. That will cost £860.00 including VAT. Admiral apologised for poor communication.

Mrs M asked us to investigate. Admiral agreed that we should deal with all the above complaints together as one complaint.

Our investigator recommended in mid- May 2025 that the complaint should be upheld in part. He thought that Admiral had paid reasonable compensation. However he thought that Admiral should do more in relation to the car.

He said that a pressure sensor and temperature sensor had become faulty, He said that he had not yet been provided with an engineer's report to confirm if these sensors were amongst the items that were replaced. He recommended that Admiral should:

"obtain a copy of the parts list from the engine replacement. If the parts are listed are replaced, or it is unclear if the item wasn't replaced, in my view, Admiral should replace the parts.

By unclear, I mean that if it is suggested the similar or nearby parts were replaced or if no item list is provided.

I also believe that Mrs [M] has the right to take the vehicle to a garage of her choosing for these repairs, if it is shown that parts do need replacement in line with my comments above.

This is because [engine repairer] have now had opportunity to rectify the issues and Mrs [M] has lost trust in [engine repairer] and Admiral as a result. However, these repairs would need to be authorised by Admiral. – This is stipulated on page 11 of the policy terms and conditions.

Mrs [M] can also take the vehicle to a dealership to obtain an inspection report of the vehicle, if further damage is found to be accident related or faulty repairs identified, both of which are as a result of this claim, Admiral should reimburse Mrs [M] for the cost of this inspection report and any arrange or reimburse any rectification work in line with the inspection report. However, if the inspection report shows that there are no further issues with the vehicle or that the issues or not accident/repair related then Admiral do not need to do anything further"

On 22 May 2025, Mrs M's husband told us that he had complained to Admiral that during a routine service at a local dealership, it was found that the engine under- tray and associated fixings were completely missing.

Mrs M didn't provide us with any inspection report or other information from the dealership. Admiral provided further information, namely the quotation and estimate for the engine replacement.

Our investigator recommended in late June 2025 that the complaint should be upheld in part. He didn't think that the part wasn't replaced or that the repair hadn't caused damage. He was minded to ask Admiral to cover the part under the replacement parts warranty.

Admiral provided further information from the repairer. Our investigator changed his view.

Our investigator didn't recommend in late July 2025 that the complaint should be upheld. He thought that there was a valve that was faulty prior to the accident. He said that Admiral had attempted to resolve matters in the way we would expect.

Mrs M disagreed with the investigator's opinion. She asked for an ombudsman to review the complaint Her husband says, in summary, that:

- Admiral's appointed garage incorrectly inspected or assessed the car. Admiral should've written off the car meaning all the future issues would never have happened.
- Admiral has repeatedly taken too much time.
- The third party is refusing to pay the ridiculous repair and hire car costs.

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.

Scope of this decision

The Financial Conduct Authority's dispute resolution rules bind the Financial Ombudsman Service.

One such rule is that we can only investigate a complaint if the consumer has first made that complaint to the regulated firm and waited for up to eight weeks for a final response.

Another rule is that we operate a two-stage process under which an investigator gives an opinion and, if either party asks, an ombudsman gives a final decision.

Mrs M has complained about a missing engine tray. Also she has complained about the possibility that Admiral will fail to recover its outlay from the third party and close the claim as a fault claim against her. Those complaints were after the final response dated 11 February

2025. So neither of those complaints is within the scope of the investigator's opinion or of this decision.

This decision

With hindsight, I find it likely that Admiral would've preferred to write the car off.

However, Admiral's policy terms included the following:

"What we will pay

We will decide how to settle your claim and will either pay:

- *to repair your vehicle*
- *a cash sum to replace the damaged vehicle"*

Also, it's not always possible for an inspection of a damaged vehicle to find hidden damage that comes to light during the repair.

So I don't consider that Admiral treated Mrs M unfairly by deciding to repair the car.

After it became aware of the engine damage, I don't condone Admiral's standard message saying that the car would be written off. However I don't consider that Admiral treated Mrs M unfairly by deciding to continue with the repair. I accept that this caused delay.

I would expect Admiral to get the repair right. So I hold it responsible for Mrs M's inconvenience and frustration when that didn't happen.

Admiral's policy terms included the following:

"All repairs carried out by our approved repairs are guaranteed for as long as you own the vehicle. Any parts used during the repair are covered under the manufacturers guarantee."

Also, there have been repeated shortcomings in Admiral's communication with Mrs M.

Nevertheless, Admiral arranged rectification work and provided Mrs M with alternative transport, save for short periods for which it has paid compensation for loss of use.

I've thought about the faulty sensor or valve and the need to replace the main thermostat / water pump. Mrs M hasn't taken the opportunity to provide any engineering evidence, even when the car was with the dealership in May 2025.

So the only engineering evidence comes from Admiral. I have no reason to doubt its opinion that neither the accident nor the repair caused the faulty part. And I don't find it fair and reasonable to direct Admiral to replace the main thermostat / water pump.

I've thought about Admiral's shortcomings and their impact on Mrs M. That included having to chase for progress and updates and being frustrated by poor communication.

I've considered whether I would've directed Admiral to pay more compensation if it hadn't already made the payments totalling over £800.00. Overall, I'm satisfied that Admiral has paid compensation that is fair and reasonable, including in line with our published guidelines for compensation for distress and inconvenience.

So, whilst I accept that Mrs M and her husband have suffered poor service over a prolonged time, I don't find it fair and reasonable to direct Admiral to do any more in response to this complaint.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint, I don't direct Admiral Insurance (Gibraltar) Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 26 September 2025.

Christopher Gilbert

Ombudsman