

The complaint

Mr M & Ms M complain that Admiral Insurance (Gibraltar) Limited (“Admiral”) didn’t provide them with a courtesy car following a claim on their motor insurance policy.

What happened

Mr M & Ms M had a motor insurance policy with Admiral covering their car. Their car was damaged in a collision in May 2025. They contacted Admiral and made a claim.

Admiral recovered their car to one of its approved repairers about five days after the collision. Mr M & Ms M had bought a level of cover that included the provision of a courtesy car. But the repairer didn’t have a courtesy car it could lend them.

Ms M needed a car to transport their young family. She needed to take a train journey instead of using their car. Mr M needed their other car for his work.

Mr M & Ms M chased up Admiral repeatedly. It told them it would get them a courtesy car, and then didn’t. It told them it could find them a hire car, and then didn’t. It suggested they claim from the at-fault third party who damaged their car, but due to the nature of the third party (which was registered overseas), they weren’t able to follow this path.

They eventually received a courtesy car about 15 days after their car was taken to the repairer.

They complained to Admiral as it hadn’t given them a courtesy car when they needed it, which caused them distress and inconvenience.

Admiral apologised and paid them 12 days at £10 per day for loss of use of their car. It added £100 for their inconvenience.

Mr M & Ms M remained unhappy and brought their complaint to this service. They ask for the cost of hire of an equivalent car to their own to be paid by Admiral at a rate of £117 per day.

Our investigator looked into his complaint and thought it would be upheld in part. They said they thought the amount of compensation and loss of use was fair, but Admiral should pay for the cost of the railway ticket (£62.80) adding interest at 8% simple.

Mr M & Ms M didn’t agree with the view and asked that their complaint was reviewed by an ombudsman, so it’s been passed to me to make 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.

I’m upholding this complaint as I think Admiral needs to pay Mr & Ms M some of their additional costs they incurred when they didn’t have a courtesy car supplied to them under the terms of their insurance policy.

But it's important that I'm not going to require Admiral to pay the amounts Mr M & Ms M ask for. I'll explain further.

The starting point here is, I think, the policy wording and the cover that it gives.

Under the terms of the policy, they are entitled to a courtesy car:

"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."

The cover talks about the courtesy car being provided once the car is being worked on. The type of car provided is:

"The courtesy car is not intended to be a like for like replacement for your vehicle. It will typically be a small hatchback."

I think this wording is clear. Mr M & Ms M would be reasonably entitled to a small courtesy car while the car was being repaired. This type of wording is common in the motor insurance marketplace.

Mr M & Ms M have asked that they're paid £117 per day for the loss of use of their car, which I understand they've calculated from a 'spot' hire rate for the equivalent of their own car. I'll point out that the courtesy car is typically for a small hatchback, not necessarily a like-for-like replacement.

Under the terms of the policy, the courtesy car should have been supplied to them from around 9 May when their car was at the approved repairer.

I can see from the file that Ms M was overseas until 16 May and so needed a car on her return from 17 May.

I asked Mr & Ms M to confirm the dates of Ms M's travel and when the courtesy car arrived. Mr M replied to say that he didn't think my request was relevant. He said that *"the courtesy car should have been supplied in line with my policy (the point at which it is accepted as repairable by the garage - 9th May), not for when I wanted to go to the shops with it! If I wanted to put it on my drive and look at it, that surely is my right?"*

The reason I asked for this information is because it's the role of this service as an independent dispute service to examine the evidence on file, and if I think one party acted unfairly then I can examine what the impact was on the other party. So, if Mr & Ms M had been left entirely without a car for the whole period from 9-23 May, then I'd be looking at their inconvenience for that whole period.

But Mr M confirmed he had access to his own car for 9-16 May in Ms M's absence. So that means I'm only fairly able to consider their inconvenience for 17-23 May. And, on 17 May I think it's fair that Admiral refund the amount Ms M spent on the rail journey she took. That leaves 18-23 May, which is six days (I will include 23 May as I don't know what time the courtesy car arrived, so it seems fair to consider it a full day).

Ms M needed to take a journey on 17 May, and incurred costs of £62.80 for a railway ticket. I think it's fair that Admiral refunds the cost of this ticket to her, adding interest at 8% simple from 17 May to the date it makes this payment.

I note that Admiral said it would pay 12 days at £10 per day for the loss of use of their car, which would be a total of £120.

But I don't think Admiral took into account the remoteness of Mr & Ms M's location, or that Ms M in particular was reliant on a car to move their young family around. Taking this into account, I think the figure of £20 per day would be more appropriate, but I also note that I think six days is the more appropriate length of inconvenience.

So, I'm upholding Mr & Ms M's complaint, but I'm not going to ask Admiral to pay extra overall for the loss of use of their car because I think the amount it's paid is enough. But I'm requiring it to pay them the cost of Ms M's train ticket plus interest as I've said.

I've also considered the inconvenience caused to Mr & Ms M by having to ring Admiral to chase up the courtesy car. Any insurance claim brings with it some degree of inconvenience and disruption from daily life. But I can see from the file of evidence that it took Mr & Ms M more than I'd expect to sort out the details of their claim, and the courtesy car issues. Admiral paid Mr & Ms M £100 compensation for this. I've thought about this and compared it with this service's guidelines. I can see their inconvenience was over a short period, and I think £100 is fair.

My final decision

For the reasons set out above, it's my final decision that I uphold this complaint. I require Admiral Insurance (Gibraltar) Limited to pay Mr & Ms M £62.80 for the cost of the train journey made. Interest at 8% simple should be added to this, from 17 May to the date this payment is made.

If Admiral considers that it's required by HMRC to deduct income tax from that interest, it should tell Mr M & Ms M how much it's taken off. It should also give them a tax deduction certificate if they ask for one, so they can reclaim the tax from HMRC if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Ms M to accept or reject my decision before 1 January 2026.

Richard Sowden
Ombudsman