

The complaint

Mrs S complains that Admiral Insurance (Gibraltar) Limited unfairly handled a claim under her motor insurance policy.

The complaint was brought to us by a named driver, but as Mrs S is the policyholder, I'll refer to her throughout this decision.

What happened

The circumstances of this case are known to both parties, but in summary Mrs S has a motor insurance policy underwritten by Admiral. In May 2025, the insured vehicle was involved in an incident which led to an accidental damage claim. Admiral accepted the claim and arranged for the vehicle to be repaired.

Mrs S was unhappy about a number of issues. She said she was pressured to use Admiral's approved repairer, that it used an unauthorised parts supplier, had to continue her lease payments despite not having access to the vehicle, incurred higher fuel costs due to the courtesy car provided, and experienced poor communication and significant delays. So Mrs S complained to Admiral.

Admiral upheld the complaint in part. It accepted it had caused delays and provided poor service and paid Mrs S £200 in compensation. Unhappy with Admiral's response, Mrs S referred her complaint to this Service.

Our Investigator agreed there had been service failings but thought the £200 was fair. Mrs S disagreed and asked for an Ombudsman to make a final decision. Mrs S said the compensation didn't reflect the disruption Admiral caused, she incurred significant fuel costs compared to the running costs of her insured electric vehicle, it caused significant delays and has incurred a financial loss due to the consequences of the claim.

So, the case has been passed to me to decide.

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.

While I recognise Mrs S will be disappointed with my decision, I don't uphold this complaint. I'll explain why.

I know I've summarised the circumstances of this case in less detail than presented. But I want to assure both parties that I've carefully considered all the information provided. I may not respond to every point or piece of evidence. But I've focused on the issues I consider to be key to the outcome of the case. This isn't meant as a discourtesy but reflects the informal nature of this Service – and the rules this Service are expected to adhere to enable me to do this.

Relevant regulatory rules say firms must handle claims promptly and fairly. So, the starting point with any insurance claim is the policy terms and conditions as this sets out the basis of cover between an insurer and its policyholder. The terms of Mrs S's policy say that in the event of a claim for accidental damage, Admiral will repair the vehicle, either through its approved repairer, or if the policyholder prefers, a garage of their choosing.

If a policyholder agrees to use Admiral's approved repairer, then Admiral will also provide a courtesy car for the duration of the repairs, and Admiral guarantees the repair works for as long as the policyholder owns the vehicle. If a policyholder chooses to use their own repairer, Admiral won't provide a courtesy car and won't take responsibility for the repairs if there is a problem.

As the claim was accepted, I won't need to comment on the overall validity of the claim. Instead, I need to decide whether Admiral acted fairly in its handling of the claim, and whether Mrs S has lost out due to Admiral's actions.

I have carefully listened to the call where Mrs S notified Admiral of the claim. I'm satisfied the options of the approved repairer or non-approved repairer were clearly explained and based on this Mrs S decided to go ahead with the approved repairer to ensure the repairs were completely covered. I'm not satisfied Mrs S was pressured into taking this option and the options were put to her in a reasonable way.

I recognise Mrs S is unhappy Admiral didn't use an authorised parts supplier, however under the terms of the policy, there is no requirement for Admiral to use a vehicle company's authorised parts supplier. But the policy terms do go on to confirm that any parts used are covered under the manufacturer's guarantee, and as explained above Admiral guarantees the repairs for the duration of time the policyholder owns the vehicle. In any case, Admiral arranged for the parts to be ordered from the authorised parts supplier after experiencing a short delay with its preferred parts supplier.

Mrs S has said she incurred significant running costs for the courtesy car. I recognise this would have been frustrating, however while the policy terms confirm Admiral will provide a courtesy car, this isn't intended to be a like-for-like replacement and will typically be a small hatchback. This is consistent with what Mrs S was provided during the repairs. There is no obligation on Admiral to provide an electric vehicle, like Mrs S's insured vehicle. So, I am satisfied Admiral met its obligations under the policy.

I also appreciate Mrs S is unhappy that she had to continue with her lease payments despite not having access to the vehicle. However, this is a natural consequence of car ownership, is a separate agreement to her insurance policy, and isn't something covered under the policy. The lease is an agreement between Mrs S and the lease company and is something Mrs S would have always had to pay regardless of whether Mrs S used the vehicle or not outside of the repairs. So, I don't find this to be a consequential loss in the circumstances.

Having reviewed the claim notes, I agree that there have been periods of avoidable delay which could have been prevented had Admiral acted more promptly, for example with the vehicle collection and the ordering of parts. The length of the delays amounts to a few weeks. And I can appreciate this delay would've been frustrating for Mrs S. I also recognise Admiral could have communicated with Mrs S more effectively. I agree that compensation is warranted for this, but I find the £200 paid by Admiral to be fair and proportionate in the circumstances. This amount is consistent with our award bands where a delay has been experienced over a few weeks and caused some distress and upset. I'm also satisfied that the impact of the delay was somewhat mitigated given Mrs S had access to a courtesy car for the duration of the repairs – which enabled her to keep mobile – and Admiral ultimately used the vehicle company's authorised parts supplier in an effort to move the claim forward.

I understand Mrs S is unhappy with the financial consequences of having made a claim under the policy and has said that she could have paid for the repairs privately, which would have been more cost effective. But I'm not persuaded Mrs S would have acted any differently. The cost of repairs wasn't something Admiral or Mrs S were aware of at the time of the claim notification and while Mrs S is of the view that it may have been more cost effective to arrange the repairs privately, this is with the benefit of hindsight and doesn't mean that Admiral acted unfairly in proceeding with the repairs as it has.

So, while I appreciate Mrs S didn't receive the service she expected under the policy, I am satisfied that Admiral has paid a reasonable level of compensation for the service failings she experienced, and Admiral has otherwise handled the claim in a reasonable way. So, I won't be directing it to do anything more here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 19 March 2026.

Oliver Collins
Ombudsman