

The complaint

Mrs M has complained about the poor handling of her claim for repairs when she made a claim to Admiral Insurance (Gibraltar) Limited under her car insurance policy.

What happened

Mrs M's car was stolen and recovered on the same day by police in December 2024. Mrs M made a claim under her policy and Admiral arranged for theft related damage to be repaired.

Mrs M's car was returned to her in May 2025 following the completion of theft related repairs.

Mrs M called Admiral on 10 June 2025 to report that the coolant was leaking. Admiral arranged for Mrs M's car to be booked in for repairs almost a month later, on 8 July 2025. The day before, Mrs M's car broke down due to the engine overheating and she was left without a car.

Mrs M raised a series of complaints with Admiral. In summary she said;

- The time taken to complete repairs was unreasonable.
- The time taken to complete rectification repairs was unreasonable.
- She was paying for car insurance and finance for a car she hadn't been able to drive for several months.
- She was unhappy with the size of the courtesy car.
- The air conditioning didn't work in the courtesy car.
- A courtesy car wasn't available on 7 July 2025 so she was without a car.

Over two final response letters, Admiral upheld the majority of Mrs M's complaints. On 1 May 2025 Admiral paid Mrs M £200 compensation for the distress and inconvenience caused by delays in the repair of her car from December 2024 to May 2025.

On 27 August 2025 Admiral paid Mrs M a further £200 compensation for the delays arranging rectification repairs. It paid £25 for a delay in replying to the complaint, and £20 for loss of use of a car on 7 July 2025. At this time there was no estimated completion date for the rectification repairs.

Admiral didn't uphold Mrs M's complaint about the size of the courtesy car. It said it had provided a car of the size set out in the policy.

In August 2025 Mrs M asked us to look at her complaint. She explained that she had two children, one requiring a pushchair, and their family dog. She said her car was a SUV. She had been without her car for five months. Then she was without it again during the summer holidays which made it difficult for daily activities and travel as the courtesy car wasn't big enough for their family.

Mrs M explained that she had been added to her parent's car insurance so that she could use their car occasionally as it is bigger than the courtesy car. But she said as it was their only car, this left her parents without a car when she used it. Mrs M provided a copy of her

parents' car insurance schedule confirming the change to add her in December 2024.

One of our Investigators thought Admiral should have arranged a more suitable replacement car when Mrs M was inconvenienced by the rectification repairs in June 2025. As these were repairs which should have been done correctly the first time, the Investigator thought it was unfair for Mrs M to have to continue using a courtesy car when it had been made clear to Admiral since the outset of the claim that Mrs M was unhappy with the size of the courtesy car.

For the distress and inconvenience caused, the Investigator recommended Admiral pay a further £150 compensation.

Admiral didn't agree. It says it provided a courtesy car in line with the policy terms and has paid adequate compensation for the distress and inconvenience caused. So Admiral wants an ombudsman 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.

Having done so, I intend to uphold it.

While I accept that Admiral provided a courtesy car in line with the policy terms, I don't find it reasonable that Mrs M wasn't offered a more suitable replacement vehicle when her car had to go back to a repairer shortly after she had waited five months for the initial repairs to complete.

A courtesy car is provided for what is intended to be a temporary period. But in Mrs M's case, the period of time she was without use of her own car was significant. Admiral acknowledges that it contributed to some of the delays in the initial set of repairs. And again in the rectification repairs.

The impact of having to rely on a courtesy car will be different, depending on a customer's circumstances. I've considered the impact on Mrs M.

I find there was an unreasonable delay in arranging for Mrs M's car to be looked at when she called Admiral on 10 June 2025. It wasn't booked in for assessment until almost a month later. From Admiral's claim notes, there was further delay in deciding whether the repairs were incident related. I think if Admiral had arranged repairs sooner, Mrs M would not have been put in the situation of breaking down and being without a car on 7 July 2025.

I've no doubt that having been without her car for five months, and discovering at the beginning of the school holidays her car required further repairs, caused Mrs M significant disruption and inconvenience. Had the first set of repairs been completed properly, this was an inconvenience Mrs M would not have been put to. And I can see that – when Admiral responded to Mrs M's complaint on 21 August 2025 - it agreed to arrange for a suitable hire car instead of the courtesy car. But by then, it was over two months after Mrs M reported a problem with her car on 10 June 2025.

So I don't think Admiral has done enough to resolve Mrs M's complaint. I think it should pay Mrs M a further £150 compensation for the distress and inconvenience caused.

My final decision

My final decision is that I uphold this complaint. I require Admiral Insurance (Gibraltar) Limited to pay Mrs M £150 compensation in addition the compensation it has already paid for the distress and inconvenience caused.

Admiral Insurance (Gibraltar) Limited must pay the compensation within 28 days of the date on which we tell it Mrs M accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

If Admiral Insurance (Gibraltar) Limited considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mrs M how much it's taken off. It should also give Mrs M a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 11 March 2026.

Geraldine Newbold
Ombudsman