

The complaint

Mr D says Admiral Insurance (Gibraltar) Limited didn't offer him enough for his stolen car when he made a claim on his motor insurance policy and that it provided poor service.

What happened

Mr D's car was stolen on 22 June 2025. He thought the claim took too long to process, which impacted badly on him and his family as they were without a car for over three months. He thought Admiral should cover the transport costs they incurred whilst the claim was being validated and that it should also pay compensation for the distress and inconvenience caused by the poor service it provided. As Mr D thought his car was worth over £40,000 he wasn't satisfied with Admiral's offer for it of £28,611.

In reply to Mr D's complaint, Admiral said it thought it had caused around seven days delay and offered him £100 compensation. Later, after considering the family's transport costs, it offered a further £70 for the loss of use of his car, as a gesture of goodwill. It said the policy didn't provide for a courtesy car or a hire vehicle if a consumer's car was stolen. Admiral also offered Mr D £25 for not responding to his complaint within the required eight-week period. It said its valuation of his car was right, as it had reviewed three of the national trade guides and used an average of the top two figures quoted in them to arrive at its offer.

One of our Investigators reviewed Mr D's complaint. He noted that the top valuation shown in the guides was £29,933. He didn't think Admiral had shown that Mr D could replace his car for less than that sum, despite the eight adverts it had provided. All the cars shown had significantly more mileage than Mr D's car, and four of them were older. He also noted that Mr D had provided three adverts, and the Investigator thought two of them were persuasive in terms of showing that the likely market value of his car was higher than the top guide valuation. The closest one to Mr D's car had around 4,000 more mileage and was priced at £35,975. The Investigator thought Admiral should pay Mr D the difference between that sum and the initial settlement sum. He also thought it should pay him an extra £125 for distress and inconvenience, but no more for transport costs.

Mr D accepted the Investigator's view, although he said he didn't think it fully indemnified him for the loss of his car. Admiral said two adverts weren't enough to justify such a large increase in the valuation and that the prices shown were open to negotiation. But it said it would agree to pay the top guide valuation of £29,933, plus the extra £125 compensation. And it provided an advert showing a car of the same age as Mr D's car priced at £26,990.

The Investigator said no set number of adverts was needed to justify an increase in a valuation, as it depended on the number of comparable cars on the market, and there were few. He said Admiral's latest advert was again for a car with significantly more mileage than Mr D's car. He also said it wasn't found close to the car's date of loss, like Mr D's examples, and that we think examples found closer to the date of loss are more persuasive.

Admiral still disagreed with the valuation and asked for a review of the complaint by an ombudsman. Mr D said as Admiral hadn't accepted the Investigator's view, he no longer

accepted it either. He said he wanted the ombudsman who reviewed the complaint to ensure that Admiral complied with its legal obligation to indemnify him fully.

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.

The valuation

As Admiral has accepted that it would be fair and reasonable for it to increase its payment for Mr D's car to the top valuation guide figure of £29,933, the question is whether it would be fair and reasonable for it to pay Mr D more. So I have to consider whether it has shown that he could replace his car with a comparable one for that sum.

I don't agree with Mr D that Admiral used outdated means to try to establish the car's market value. We think the trade guides are usually accurate, as they're based on extensive national research of numerous vehicles, and the prices shown in them are updated often. Frequently, we don't find adverts persuasive. That's not just because most advertised prices are open to negotiation, but also because there can be huge variations in the asking prices for what appear to be similar cars. But sometimes, an insurer or a consumer is able to provide adverts that indicate the trade guide prices probably don't reflect a car's market value.

In this case there aren't many cars comparable to Mr D's car in all respects on the market, and it seems there weren't at the time the valuation was completed. Admiral could find only four similar cars registered in 2018. They were lower priced than Admiral's offer to Mr D, but all of them had *considerably* more mileage than his car. The most recent example put forward by Admiral was also not a like for like example, due to its extra mileage.

Mr D was able to provide examples of 2018 cars that were much closer to his car in terms of mileage. In some cases one or two examples wouldn't be enough to be persuasive about the likely market value of his car. But in this case, given the lack of examples of similar cars with such low mileage, I think it's the most persuasive evidence we have. I think our research on similar cars adds to the likelihood that Mr D wouldn't be able to replace his car for a similar one with similar mileage for the top trade guide price.

In my opinion, if Admiral pays Mr D the difference between the sum already paid to him and £35,975, plus interest, it will have indemnified him fully for his loss. Mr D says that wouldn't be enough, but he hasn't shown that his car was worth over £40,000.

Poor service

Admiral has already agreed to pay an extra £125 to Mr D (a total of £250) for its poor service in not being more proactive, which meant he had to do a good deal of chasing for updates and that there was some avoidable delay. It also offered a further £70 as a gesture of goodwill, so the total compensation offer is £320. I think that sum reflects a reasonable attempt by Admiral to make up for the distress and inconvenience Mr D faced. He says Admiral told him it would pay all his transport costs, subject to evidence. Those costs aren't covered by the policy, and Admiral doesn't accept that it was to blame for most of the time taken to settle the claim. The only evidence I've seen on this point is that Admiral offered to *consider* the transport costs, which it did. I don't think Mr D can show that it committed to paying them.

Mr D is unhappy that the claim took over three months to settle, despite all the chasing he did and the fact that he was without a car. But I think the claims notes show that most of the time taken to validate the claim was unavoidable. It often takes longer to validate theft claims than other claims. Here, some queries arose and an external firm of investigators had to be appointed. That meant the timeline was no longer fully within Admiral's control. And it had no obligation to provide transport for Mr D after the car was stolen. The policy sets out clearly that a courtesy vehicle is only provided when a car is with an approved garage for repair.

It must have been very difficult to carry on with daily activities without a car, especially with a young family, and I sympathise with Mr D. But I don't think his time without transport was mostly due to faults on Admiral's part. And I think it has offered sufficient compensation for the service it provided that fell short of the expected standard.

My final decision

My final decision is that I uphold this complaint. I require Admiral Insurance (Gibraltar) Limited to do the following:

- Pay Mr D the difference between the original settlement sum and £35,975
- Add interest to the sum above at the simple yearly rate of 8%, from the date of the original payment to the date of the new payment
- Pay Mr D £125 more compensation for distress and inconvenience, so £250 (making £320 in total including the £70 gesture of goodwill)

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 20 May 2026.

Susan Ewins
Ombudsman