

## **complaint**

Mr B complains about the way a claim and the repairs to his car have been handled by Admiral Insurance Company Limited under a claim on his motor insurance policy.

## **background**

Mr B made a claim on his Admiral policy following an incident. It's dealt with the cost of repairing the damage to his car which it considered was accident related. But Mr B was unhappy that it wouldn't deal with damage to the exhaust and the SRS airbag and warning light. He said they were also accident related.

Admiral's engineer inspected the car and said there was nothing to suggest the slight leak in the exhaust or SRS airbag and warning light problems were accident related. Admiral's assessor re-inspected the car. He said there's no impact damage to the exhaust but couldn't say if the damage was accident related or not. So, Admiral offered a cash in lieu figure of £411.94 including VAT for the exhaust repair as a goodwill gesture. It's also offered to meet the costs on investigating the SRS issue and said if it was accident related it would deal with it as a separate claim.

Mr B didn't think that was enough for the exhaust repair. He also wanted all the repairs covered.

Mr B's garage later estimated it would cost £550 to repair the exhaust. But Admiral says the garage made a mistake and its assessor agreed the exhaust repair costs with it at £370 with no VAT. Admiral's offered to pay this sum to Mr B as a cash in lieu payment.

Our adjudicator recommended that this complaint should be upheld. She said:

- On balance she thought the damage to the exhaust was accident related. Admiral should therefore repair the exhaust or pay Mr B a cash in lieu sum of £550 unless it can provide the written agreement of the repairer to repair the exhaust for £370.
- Admiral's offer to cover the cost of investigating if the SRS and seat belt problems are accident related and, if they are, to make a further cash in lieu payment is fair and reasonable.
- If proper checks had been carried out from the start the matter wouldn't have dragged on as it has. Mr B has been inconvenienced by the handling of the claim, delays and hasn't had the use of his car. Admiral should pay him £200 compensation for this.
- Mr B's also had to pay for an independent report. He should be reimbursed the £120 cost of this.

Admiral didn't totally agree. It says the delays were also caused by Mr B and £100 compensation is appropriate. But it's paid the £120 report fee to Mr B. It's happy for the exhaust to be repaired but its engineer says the maximum cost for replacing it will be £343.28 plus VAT. So the maximum cash in lieu sum it will offer is £411.94 including VAT. It is prepared to get the exhaust repaired at one of its garages. But Mr B isn't happy with this. He wants his repairer to do the work and the garage denies it ever agreed to do the work for

less than £550. Admiral's also noted that Mr B originally gave it false information and it believes Mr B works for his engineer and repairer.

Mr B has asked for an ombudsman review.

### **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I agree with the adjudicator's conclusions and her reasons.

Although Admiral's assessor says the repairer agreed it'd made a mistake in its £550 estimate for the cost of repairing the exhaust and it should've correctly totalled £370, I haven't seen anything from the repairer to confirm or deny this.

Overall, I think it's fair and reasonable for Admiral to be given the opportunity to repair the exhaust at one of its garages. If Mr B doesn't agree to this then I think it's reasonable for Admiral to make a cash in lieu payment to him for this work. But if this is the case then I think the cash in lieu payment should be for £411.94 which is the amount Admiral's engineer says the work should cost including VAT. Mr B can then get the work done at a garage of his choosing.

Mr B apparently admitted to Admiral's engineer that there weren't any fumes entering the car and that he said this so he could see what reaction he got from Admiral. I also think that both parties have contributed at various times and in varying degrees to the delays in this case being resolved. Even so, I agree with the adjudicator that a payment of £200 compensation to Mr B is fair for the trouble and upset he's experienced and the further inconvenience he will be caused getting the exhaust repaired.

Admiral also believes Mr B works for his engineer. But I haven't seen any evidence to substantiate this.

### **my final decision**

For the reasons I've discussed above my decision is that I uphold this complaint and I require Admiral Insurance Company Limited:

1. To repair the exhaust on Mr B's car at one of its garages. But if Mr B doesn't agree to this it should pay Mr B £411.94 as a cash in lieu payment for this work so Mr B can then get the work done at a garage of his choosing;
2. To cover the cost of investigating if the SRS and seat belt problems are accident related and, if they are, to make a further cash in lieu payment to Mr B for their repair; and
3. To pay Mr B £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 8 February 2016.

Stephen Cooper  
**ombudsman**