

complaint

Mr A and Mr B have complained that following a claim under their motor insurance policy with Admiral Insurance Company Limited, there were a number of problems with the repairs process.

background

Mr A and Mr B's car was stolen towards the end of July 2011 and was recovered shortly afterwards. However, it had been damaged. Admiral authorised repairs at the end of September 2011.

Mr A and Mr B have complained about the length of time it took Admiral's approved repairer to complete the repairs. They also feel they have lost the benefit of the tracking scheme, road tax, motor insurance and tyre insurance during this period. Additionally, they are concerned that the car may have lost some value at buy-back under a leasing scheme, because the car was not maintained in accordance with its service schedule whilst it was with the repairer. They also believe that the repairer drove the car without authority. Finally, they feel that the repairer damaged a camera at the front of the car.

Our adjudicator recommended that the complaint should be partly upheld. He agreed that the year that Admiral's approved repairer took to complete repairs was unreasonable and that Admiral had not provided a credible reason for the delays. He also believed that, given the nature of the car as a specialist, high performance vehicle, it should have been repaired by a specialist. He felt that Mr A and Mr B had suffered considerable distress and inconvenience and recommended a payment of £750 to recognise this. He also felt that Admiral should pay for some of the lost benefits, including the costs of the tracker service until it was suspended, and insurance and tax from renewal to return.

However, he was not persuaded that Admiral should pay the monthly lease/finance payments, or that it should make up any shortfall, if any, at "buy-back" of the scheme because of the disruption to the service schedule. Nor was he provided with evidence that the tyre insurance benefit had been lost.

Admiral did offer to pay for damage done to a front-bumper mounted camera whilst it was in the repairer's care. It also offered to pay £200 for poor communication during the complaint. However, it did not agree that its agent could have avoided delays to the repairs.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Because the car is a limited edition, high performance vehicle, I am satisfied that some delay in sourcing parts can be expected. Mr A first complained about the delay in January 2012. Admiral told him that there was a problem sourcing bespoke paint and, when it arrived, the batch was contaminated. The supplier did not deliver the second batch until May 2012. The repairer returned the car at the end of May 2012, but Mr A reported further issues at this time. Admiral appointed an independent assessor to look into these, which reported back the following month. This confirmed that further investigation and rectification works were required. He returned the car to the garage and Admiral's repairers did not complete repairs to a satisfactory standard until the end of July/early August 2012.

Mr A had sent Admiral an estimate from a garage of his own choosing, but this repairer was not on Admiral's approved list. Admiral's notes show that its approved repairer took some care about repainting the car, appointing a specialist and quality-testing the work. However, it remains the case that this process took eight months to complete and Admiral has not sent orders or copy correspondence showing that the repairs proceeded with any great haste.

The approved repairer has not justified the eight months it needed to source and apply paint, and it should have done more to make sure that the car was fit for return in May 2012. I therefore, find that the considerable time it took to complete repairs was unreasonable.

Normally, when complaints of this nature are brought to this service, we only expect an insurer to make sure that the complainant has a courtesy or hire car during the period of repairs. Unless the terms of the policy specifically state otherwise, we would not normally expect this to be an equivalent car. Admiral provided a courtesy car to Mr A, so he was mobile throughout the period of repair - albeit he had to return and replace the car when its lease ran out.

However, I find the circumstances in this complaint to be exceptional. Clearly, Mr A and Mr B had bought the car with the intention of enjoying its particular attributes, not just as a mode of transport. I agree that Admiral need not pay the finance payments made during the period of repair, as this is a separate contract and simply the means that Mr A and Mr B chose to obtain the car. But the complainants have experienced a significant loss of enjoyment which should be acknowledged in a payment by Admiral – I agree that £750 is appropriate.

Similarly, in circumstances such as this, we would regard the payment of road tax and insurance as liabilities which Mr A and Mr B would have normally incurred. However, again, the circumstances are exceptional, in that Admiral's repairer had control of the car when these liabilities came up for renewal. The car was off-road, and whilst Admiral might not have been able to anticipate significant delays when it advised Mr A to renew them, it clearly did not do enough to ensure that the money was not wasted. I am also satisfied that Mr A lost the benefit of his tracking service for a significant period.

I have read the terms of Mr B's finance agreement. Clause 4.2 states that

"You must have the Goods serviced strictly in accordance with the manufacturer's recommendations and any applicable warranty. The servicing record and registration document must be kept up to date and in your possession. Failure to comply with these obligations will reduce the value of the Goods and have the consequences set out in Clause 7.2"

Clause 7.4 says

"If you have failed to comply with your obligations in Clause 4.2 you must pay us the amount by which the value of the Goods has been reduced by your failure."

The car's service was due in October 2011 (and presumably again in April 2012). This was raised in the complaint to Admiral made in January 2012. Mr A also says that he discussed this with the repairer a number of times. However, I have not seen evidence that he pressed the point until July 2012. It seems to me that it would have been possible to service the car whilst only paintwork was outstanding before May 2012. In the absence of evidence that

Mr A persistently raised this issue with Admiral or its agent, I do not find that Admiral was at fault.

When Mr A collected the car in July 2012, he was unhappy that the car had been driven 86 miles whilst in the repairer's care. Admiral explained that the car had been test driven and driven to Mr A's address once. It appears to be just over 11 miles between the repairer and Mr A's address. This would suggest a test run of some 75 miles - this does seem somewhat high, but I am not convinced it is necessarily overly excessive, given there were a number of issues with the car that needed checking.

Mr A was also concerned that he had lost the benefit of his tyre insurance, and I can see that his factory-fitted tyres were replaced with a different make. However, I have not been provided with the terms of the tyre insurance, or evidence that this replacement was not necessary.

my final decision

For the reasons given above, my decision is to uphold this complaint in part. I require Admiral Insurance Company Limited to:

- pay for repairs to the front bumper-mounted camera;
 - pay £750 for the considerable inconvenience experienced;
 - pay £130 for the cost of the tracker service until it was suspended in February 2012.
- Interest should be added to this sum at the rate of 8% simple per annum from the date of the claim; and
- pay the costs of the insurance and tax from renewal to return. Interest should be added to this sum at the rate of 8% simple per annum from the date of payment of these sums.

I note it has agreed to pay for the camera to be repaired and I agree that this is reasonable so will not interfere with this aspect of the resolution.

Elspeth Wood
ombudsman