

complaint

Mr G complains about repairs to his car following a claim against his motor insurance policy with Admiral Insurance Company Limited. He also complains about Admiral's handling of his claim.

background

Mr G made a claim against his motor insurance policy following an accident in mid August 2014. Admiral arranged for its authorised repairer to repair Mr G's car. The repairs included work to the radiator and headlights. In early October 2014, when Mr G was driving his car home from the authorised repairer, coolant started to leak from his car. Admiral's authorised repairer repaired Mr G's car again. On the day Mr G collected his car there was another coolant leak. Mr G also noticed that there was condensation on the headlight lenses.

Mr G lost confidence in Admiral's authorised repairer. In October 2014, Admiral arranged for an engineer to inspect Mr G's car at the main dealers. The engineer's report related only to the coolant leak, not the headlights. It said that there was an incorrect bleed screw on the cooling system expansion tank, which it thought led to the escape of coolant. The engineer said that the authorised repairer didn't accept that it was at fault but would pay the main dealer to replace the cooling system expansion tank and bleed screw, as a gesture of goodwill. The main dealer carried out the repair, which solved the coolant leaks.

Admiral arranged for the same engineer to inspect Mr G's car again in February 2015. The engineer said that Mr G's should return his car to the authorised repairer so that work on the headlights could be carried out under warranty. The engineer said that this was a parts warranty issue, not poor workmanship by the approved repairer.

Mr G wants his car headlights repaired, compensation for his trouble and upset and an apology for the way Admiral handled his claim.

The adjudicator said that the main dealer fixed the coolant leak on Admiral's instructions, which was reasonable. She said that she would need an engineer's report to show whether the authorised repairer was responsible for that problem.

The adjudicator said that it was reasonable for Admiral to insist that the authorised repairer should deal with the headlamp issue under warranty. She said that the initial delay in carrying out the repairs was because the authorised repairer had to wait for parts. As Mr G had a courtesy car during the repairs, she didn't think Admiral was at fault.

Mr G didn't agree with the adjudicator. He said that his car had broken down many times following the repairs by Admiral's authorised repairer. Mr G said there was no issue with the coolant before the repairs.

Mr G said he lost confidence in the authorised repairer. He said that Admiral had previously agreed that his car didn't need to go back to the authorised repairer. Mr G doesn't understand why another diagnostic test was required, as the engineer instructed by Admiral had already provided a report. He says that he suffered considerable trouble that he could have avoided if his car had been repaired correctly in the first place.

There was further correspondence between the adjudicator and Admiral. Admiral agreed to consider a quote from a garage of Mr G's choice for further work to the headlights. It later withdrew that offer. Admiral said that it was no longer willing to pay for repairs to the headlights as its authorised repairer could have carried out the repair under warranty. It said that Mr G had failed to deal with the authorised repairer and the main dealer during the warranty period.

my provisional decision

I sent my provisional decision to Mr G and Admiral in January 2016. I said that there's a dispute about whether the escape of coolant was caused by Admiral's authorised repairer or whether there was already an issue with Mr G's car. Based on what I'd seen, it wasn't clear that Admiral's authorised repairer caused this problem. I didn't think that a further engineer's report about the cause of the problem would help here. That's because, as Mr G says, it's now very difficult to show what caused the problem. In any event, the issue that led to the escape of coolant is now repaired.

In the particular circumstances here, I didn't think it was unreasonable for Mr G to lose confidence in Admiral's authorised repairer. That's because the authorised repairer had Mr G's car for some considerable time and didn't keep him informed about the progress of the repair or when he might get his car back. Leaving aside the problem that led to the escape of coolant, the authorised repairer had two attempts at repairing Mr G's car and it still wasn't right, as there was condensation on the headlight lenses. Admiral says that was caused by a parts problem, not workmanship. I said that Mr G reasonably expected repairs to be carried out to an acceptable standard and that wasn't the case here. Admiral is responsible for that.

I said that Admiral appears to have accepted that Mr G didn't want to deal with the authorised repairer as in mid February 2015, it wrote to him and said that as Mr G had concerns about its authorised repairer it would pay him cash so that he could arrange the repairs himself. Mr G understood this to mean that he wouldn't have to deal with Admiral's authorised repairer again. Admiral later withdrew that offer.

I said that in complaints like this, we're guided by experts' reports. It's clear from the engineer's report dated February 2015 that there was a problem with the headlights following the repair. Admiral says that it won't now pay for further repairs to the headlights as they could have been repaired previously under warranty, which has now expired. I said that I didn't think that was reasonable. There were clearly ongoing issues between Mr G and Admiral and I didn't think it was fair that Mr G lost his right to repairs just because the warranty has expired.

I thought that a fair resolution was for Admiral to meet the costs of repair of both headlights at a garage of Mr G's choice. I noted Mr G's expectations about Admiral organising this but it's for him to arrange the repair, pay for it then claim the reasonable costs from Admiral.

I said that this matter had been ongoing for some considerable time. Mr G suffered the trouble and upset of having problems with his car after Admiral should have completed the repairs. Also, the authorised repairer didn't keep Mr G informed about the progress of the repairs. I understand that Admiral has already paid Mr G £200. I thought that Admiral should pay Mr G an additional £100 in relation to his trouble and upset.

responses to my provisional decision

Mr G accepted my proposed resolution of his complaint. He added the following:

- It wasn't right to say that a replacement bleed screw corrected the issue of escaping coolant as he still had issues with his car breaking down after the bleed screw had been replaced.
- He was concerned that any further costs incurred by Admiral due to the headlight issue will increase the value of his claim and affect his future insurance premiums.
- He reiterated his request for a written apology from Admiral in relation to its handling of his claim.

Admiral didn't accept my provisional decision. It said:

- It hadn't reversed its decision to allow the insured to complete the warranty work at a garage of his choice.
- Since March 2015, it told Mr G that if he didn't want to use its approved repairer for the warranty work, it would need an estimate from the main dealer he wishes to use. It said it can't facilitate this, as it doesn't have a contract with the main dealer.
- It always offers a five year guarantee for workmanship following work by its approved repairer. This is a parts warranty issue, not a workmanship issue.
- Due to Mr G's delay in approaching a garage to supply an estimate for this work, the parts warranty period of 12 months has now expired.
- Mr G was responsible for excessive delay of over eight months in providing an estimate and Admiral can't be responsible for that.

my findings

I've reconsidered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I remain of the view that a fair resolution here is for Admiral to pay Mr G an additional £100 in relation to his trouble and upset and to meet the reasonable costs of repair of both headlights at a garage of Mr G's choice. I also think that Admiral should write to Mr G apologising for its handling of his claim. I'll now explain why I've come to those views.

I think that Admiral is confused about my comments about its withdrawal of its offer to pay the costs of repair of the headlights at a garage of Mr G's choice. It now says that it didn't reverse its decision. But in a phone call and an e-mail with the adjudicator in late December 2015, Admiral said that it was no longer offering to pay for the repair of the headlights as Mr G had failed to arrange for it to be done within the warranty period. That's consistent with Admiral's response to my provisional decision.

Admiral says that Mr G delayed in getting the repair done which means that it was no longer under warranty, so it shouldn't have to pay for it. I don't agree. Mr G is entitled to expect repairs to be carried out to an acceptable standard and he didn't get that here. It's fair that Admiral puts that right.

Any issue about the expiration of the warranty is between Admiral and its suppliers, not Mr G and Admiral. I appreciate the fact that the warranty has expired means that the repair will now cost Admiral more than it would have done if the repair had been carried out sooner but that doesn't change my view. Any delay on Mr G's part here doesn't mean that Admiral is no longer responsible for the poor repairs to the headlights.

Mr G queries the effect of the increased costs of his claim on future premiums. Future insurers may take into account many factors in setting premiums. It's common for insurers to take into account whether there has been a claim, but it's not common for the value of the claim to affect the premium in claims like this one.

I agree with Mr G's request for an apology from Admiral in relation to the handling of his claim. His claim did not go smoothly and an apology from Admiral about that is appropriate here.

my final decision

For the reasons I've set out above, my final decision is that I uphold this complaint. I now require Admiral Insurance Company Limited to:

1. Reimburse Mr G's reasonable costs of repair to both headlights at a garage of his choice.
2. Pay Mr G additional compensation of £100 in relation to his trouble and upset.
3. Provide Mr G with a written apology for its handling of his claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 11 April 2016.

Louise Povey
ombudsman