

The complaint

Mr W complains Admiral Insurance (Gibraltar) Limited handled his commercial vehicle insurance claim poorly.

What happened

In mid-July 2023 Mr W made a claim against his Admiral van insurance policy. His tipper truck had been damaged in a collision. Admiral said it considered the truck a total loss. A few days later Admiral decided it was repairable.

Around a month after the incident Mr W complained to Admiral. His main concern was losing income. His truck hadn't been repaired and he hadn't received a courtesy van. So had lost income as he was unable to fulfil contracts.

In mid-August 2023 Admiral responded to Mr W's complaint. It accepted he hadn't been provided with a courtesy vehicle. It said it would make a payment to recognise his loss of use. It said £170 was to cover 17 July 2023 to 3 August 2023. It also said it would consider any evidence of lost earnings. It offered £300 compensation in recognition of upset caused by various mistakes – including a delay to authorisation of repairs.

Mr W was then referred to a provider of hire vehicles. I'll refer to it as A.

Mr W provided evidence to Admiral for his loss of earnings claim. In response it issued a further complaint final response on 6 September 2023. It felt his evidence was insufficient. It said invoices didn't relate to the period he didn't have access to a van. So it didn't offer any payment for loss of earnings. Neither did it agree to reimburse Mr W a loan he had made to his company during the relevant period. Admiral said he should provide loss of earnings evidence from an accountant. It did offer a further £170 loss of use payment for 4 August to 21 August. This was to cover a period when A had failed to provide a vehicle.

On 15 September 2023 Admiral reviewed the complaint again. It explained to Mr W that his policy, in respect of a courtesy vehicle, only provided for a car derived van – rather than a tipper like the insured vehicle. So it said it wouldn't pay any loss of earnings. It said even with a courtesy vehicle Mr W couldn't have performed his contracts. It added it wasn't responsible for A having delayed provision of a vehicle.

Mr W wasn't satisfied so asked this service to consider his complaint. He said if Admiral had referred him to A earlier, he probably wouldn't have lost various contracts and income. He wants it to reimburse him more than £25,000 in lost earnings.

Our Investigator felt Mr W hadn't provided enough to show a loss of earnings. He felt Admiral's request for evidence from his account to be reasonable. He said a courtesy van, as offered by the policy, if provided probably wouldn't have been suitable for Mr W to undertake his work anyway. He considered the £340 loss of use and £300 compensation payments from Admiral to be fair. Mr W didn't accept that outcome. He requested an ombudsman consider the complaint.

The complaint was passed to me. I've first set out what I've considered in this decision. I'm doing so in case Mr W refers a further complaint about this claim to this service. I've considered Admiral's action up until its 15 September 2023 correspondence - when it pointed out Mr W's policy only provides for a car derived van.

I haven't considered the actions of A, or the impact that may have had on Mr W. I've not seen enough, so far, to persuade me it was acting as an agent of Admiral – which would allow me to consider its actions as being those of Admiral. Admiral's denied responsibility for A's actions at points. But in its 6 September 2023 complaint response it offered a loss of use payment for A not providing a hire car. So A's relationship with Admiral, for this claim, isn't clear. It's also not clear if Mr W has or will be making a loss of earnings claim to A. If he does, he may wish to bring a complaint about its response to this service. So for practical, and potentially jurisdictional, reasons I haven't considered the actions of A here.

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.

As this is an informal service I'm not going to respond here to every point or piece of evidence Mr W and Admiral have provided. Instead I've focused on those I consider to be key or central to the issue. But I would like to reassure both that I have considered everything provided. Having done so, I'm not going to require Admiral to cover any lost earnings or to do anything differently.

Admiral did cause unnecessary delays in repairing Mr W's van. It also failed to provide the car derived van Mr W's policy allowed for. It may have unfairly delayed his referral to A. However, I can't fairly say its response to the evidence he provided regarding his alleged loss of earnings was unreasonable.

Admiral's made a reasonable point about the courtesy vehicle. If it had been provided, it was likely unsuitable for the role performed by a tipper truck. It's also made a fair suggestion that that it would expect Mr W to have attempted to mitigate any loss.

However, even if I overlook those two points, Mr W hasn't provided reasonable evidence of loss. As far as I've seen he provided a range of purchase orders and invoices, a few bank statements and a few photos. He says he also provided some diary entries for jobs. His submission was accompanied by a headline summary of the impact. This outlines a negative effect on commercial client relationships. It provides brief details of a few jobs that couldn't be fulfilled.

The evidence though, doesn't provide a detailed breakdown of potential income lost, unavoidable costs – or profit loss/estimates. Neither does it explain what mitigation steps were taken or detail any costs avoided. There's no accounts of historic or projected trade. The bulk of the submission is made up with purchase orders and invoices that, on the face of it, don't appear to have an obvious relationship to the period in question. There's no detailed commentary to provide an understanding of their relevance.

Mr W's reported fairly high losses and fixed expenditure. I understand it's been a frustrating experience for him. But for an outfit of that size and likely turnover it would be reasonable for him to be able to provide some more specific and persuasive evidence of loss. It's been requested several times but unfortunately hasn't been submitted. So I can't say Admiral's decline of his loss of earnings, based on what he's provided so far, is unfair or unreasonable.

Admiral's offered loss of use, at £10 per day, for the period it failed to provide a courtesy van. It's also offered £300 compensation for the inconvenience it caused Mr W. I accept these amounts are far off the loss of earnings Mr W's asking to be covered. But I feel, without reasonable evidence of those losses, Admiral's offer for the part it's played in the claim is fair and reasonable in the circumstances.

My final decision

For the reasons given above, I don't uphold Mr W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 16 January 2024.

Daniel Martin
Ombudsman