

The complaint

Mr T complains about the service received from Admiral Insurance (Gibraltar) Limited ("Admiral") following a breakdown and a claim made against his roadside assistance insurance policy.

What happened

Mr T says, following a breakdown, he called Admiral to claim under his policy. Mr T says a tow truck arrived after two hours but couldn't accommodate a child seat despite Mr T having already explained he had his children with him. Mr T says, because of this the tow truck only took them to the nearest service station and arrangements were made for another tow truck to take them to their preferred garage. Mr T says he was made to wait another 10 hours for another tow truck, so he and his family had to sleep overnight in the car. Mr T complained about these points and said he has overnight accommodation covered under his policy, so this should've been arranged for him and his family. Mr T said his policy also covers reimbursement of any costs he has incurred in collecting his car from the garage after repairs. Mr T said he incurred such expense, but this hasn't been reimbursed.

Admiral responded and upheld Mr T's complaint about the original recovery vehicle not being suitable to transport him and his family and the delay in recovering them. Admiral apologised for the service received and sent a cheque for £100 compensation.

Our investigator looked into things for Mr T. He upheld the complaint and recommended Admiral increase their offer of compensation from £100 to £250. He also recommended they reimburse the expenses incurred by Mr T in collecting his car. Mr T agreed, but Admiral haven't responded so the matter has come to me for a decision.

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.

Having done so, I've decided to uphold the complaint. And, I think the investigator's recommendation here is a fair way to resolve matters.

My role requires me to say how a complaint should be settled quickly and with minimal formality and so I'll focus on what I consider to be the crux of the complaint and the main areas of dispute. Firstly, I've looked at the service given to Mr T. The key facts about the complaint aren't in dispute. Admiral have admitted they got things wrong by sending an unsuitable recovery vehicle initially and also taking too long to recover Mr T and his family. The only issue I have to decide is whether Admiral's offer to put things right is fair and reasonable.

I think it's right that Admiral should compensate Mr T for the distress, frustration and inconvenience caused by their poor service. To help decide what a fair and reasonable level of compensation should be, I've looked at the errors by Admiral and what the impact of those errors have been. I will also add, while I can see this event has been distressing for Mr T and

his family, our service is only able to award compensation for any distress, frustration and inconvenience to Mr T as he, being the policyholder, is the eligible complainant. That said, I have taken into account the additional distress and frustration caused to Mr T knowing that his family were also with him and being inconvenienced by Admiral's errors.

I'll start by saying, I don't believe the £100 offered by Admiral goes far enough to reflect the full impact on Mr T. I say this because Admiral describe their delay as 'excessive', and this delay meant Mr T and his family were first left at a service station and then left to sleep in their car overnight. Mr T describes the event as traumatic – and I think that's a reasonable term to use given the distress to him of spending the night – including his two young children - in the car on a cold night and without blankets. I can see Mr T's policy covers him for emergency overnight accommodation, up to £150 per person and £600 in total. I can't see this was offered to Mr T, and I also haven't been provided any information from Admiral to show why this cover wouldn't have applied to Mr T's breakdown circumstances. So, it's clear there's additional frustration to Mr T of knowing this should've been offered to him - but wasn't.

I can see Mr T says there was him, his wife and two children so he believes Admiral should pay him the £600 overnight accommodation limit provided under the policy. I've carefully considered Mr T's point here, but I don't think it's fair and reasonable to direct Admiral to pay this. I say this because, while I accept there's cover for overnight accommodation, Mr T hasn't incurred any financial loss as a result of not being offered this. For example, had Mr T decided to pay for overnight accommodation himself, and Admiral refused to cover this, if our service felt Admiral's decision was unfair, we could direct them to reimburse this to Mr T as the policy provides cover for overnight accommodation. But in this case, Mr T didn't incur any accommodation expenses so, even though the policy provides cover for this, I can't fairly ask Admiral to pay this if Mr T hasn't incurred any financial loss. I have though, as mentioned above, considered the frustration to Mr T of not being offered the overnight accommodation in my assessment of a fair level of compensation.

Our service would generally award £100 in cases where there has been a one-off incident or occurrence – such as a small administrative error or a short delay. But in this case, and as mentioned above, Admiral describe their delay as 'excessive' and I can see the impact on Mr T goes beyond just minor trouble and inconvenience. So, taking into account the full impact on Mr T, I think Admiral should increase their offer of £100 by £150, bringing the total compensation to £250.

I can see Mr T has provided a receipt for £114.90 which Mr T says represents the taxi cost for his journey from his home to collect his car – which he says should be covered by Admiral. I can see our investigator has forwarded this receipt to Admiral. I've reviewed Mr T's breakdown policy booklet, and this says, "*We will also pay up to £150 towards the reasonable cost of alternative transport for an insured person to return and collect the repaired vehicle.*" I've also seen a note from Admiral's system which shows Mr T called them to check the position about this cost being reimbursed. The note says the call handler checked with a manager and they confirmed Mr T does have this cover under his policy and if Mr T pays for this and then calls back then a call handler can complete a form in order to process a refund.

So, given this is a cost which Mr T's policy covers, and Admiral do appear to have already confirmed they'll process a refund, I think it's fair for Admiral to reimburse Mr T the travel costs of £114.90 he has paid to collect his car.

Putting things right

I've taken the view that Admiral have made errors in their handling of Mr T's claim. So, in addition to the £100 already offered, they should increase their offer by an additional £150

for the distress, frustration and inconvenience caused – bringing the total compensation for this complaint to £250. Admiral should also reimburse Mr T the transport costs of £114.90.

My final decision

My final decision is that I uphold the complaint. Admiral Insurance (Gibraltar) Limited must take the steps in accordance with what I've said under "Putting things right" above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 28 January 2024.

Paviter Dhaddy
Ombudsman