

The complaint

Miss M complained that her motor claim was unduly delayed and the customer service lacking under her policy with Admiral Insurance (Gibraltar) Limited (“Admiral”). She also didn’t think the settlement received was fair. Miss M had representation during the claim, but for ease and simplicity, I’ll only refer to Miss M.

What happened

Miss M made a claim when her car was vandalised, but she raised a complaint two weeks later as she felt it wasn’t progressing quick enough. Miss M was unhappy that she was passed between departments, and she didn’t think Admiral called her back when it promised to.

Admiral apologised for not calling back and it said backlogs caused its engineer to take longer than normal to review Miss M’s repair estimate. Admiral paid £100 compensation for the distress and inconvenience caused and paid £20 for the cost of Miss M making calls.

Miss M didn’t think this was enough, she wanted her premiums refunded and higher compensation as she said she used taxis and wasted time making phone calls. Miss M was unhappy as Admiral cash settled the claim for £6,885 – she said the repairs cost £12,031. Admiral didn’t authorise the higher figure as it said it could get the repairs done for a lower amount at a different garage.

Our investigator decided not to uphold the complaint. She thought the compensation paid was in line with our service’s compensation framework. She also thought the cash settlement was fair as Admiral had provided evidence it could get the work done cheaper. Miss M disagreed, so the case has been referred to an ombudsman.

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.

Admiral offered to get the repairs completed through one of its authorised garages or to provide a cash settlement instead. I’ve checked what the policy sets out for how Miss M’s claim should be settled. It sets out that Admiral will repair any damage using its approved supplier. However, the policy states Admiral could choose to cash settle the claim and stated, *“we will offer you cash sum to cover reasonable costs of parts and labour”*.

I think Admiral have acted reasonably as it offered to repair the car in line with the policy. However, Miss M wanted her car to be repaired by her own chosen garage. This is her right under the policy. However, when Miss M presented the estimate to have the repairs carried out by her own garage the cost was significantly higher than it would’ve cost at Admiral’s approved supplier. I think Admiral has proven it could’ve got the work carried out cheaper, I think when Miss M chose to have the repairs done at her own garage, Admiral was fair in only paying the costs it would’ve cost itself to get the work carried out. So, I don’t uphold this aspect of the complaint.

I've considered the service and delays Miss M experienced. I think any claim there is likely to be a certain level of process to follow. It's important a claim is properly reviewed and validated. The very nature of a claim is inconvenient, it's very unfortunate that Miss M had her car vandalised. This inconvenience isn't the insurer's fault, it's just Miss M is a victim of a crime.

Admiral acknowledged it caused some delay due to backlogs at the time. However, I don't think these were excessive and I think part of the perceived delay was over the disagreement on what any cash settlement should be. Therefore, I don't think the delays and service provided by Admiral warrants more than the £120 compensation that has been paid.

I can see the policy doesn't cover a courtesy car when a cash settlement is paid, so in these circumstances Miss M would've been expected to arrange her own temporary transport (E.g., her own courtesy car or taxis and pay for it herself). I think the compensation paid is aligned with what our service would deem appropriate for these circumstances. I've also noted that Admiral asked Miss M to provide further evidence if there were any outstanding concerns. I think this is a reasonable approach and haven't seen evidence of any new issues.

Miss M has asked our service to review some calls, but without her being specific as to which calls we need to listen to and what evidence we would find, I can't be convinced this would have any impact on my decision.

In summary, I think Admiral has compensated Miss M fairly for the drop in service level and I think it settled the claim in a reasonable manner. So, I don't uphold this complaint.

My final decision

My final decision is that I don't uphold this complaint. I don't require Admiral Insurance (Gibraltar) Limited to do anymore.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 6 November 2023.

Pete Averill
Ombudsman