

The complaint

Mr Z complains that Admiral Insurance (Gibraltar) Limited mishandled his claim on a motor insurance policy.

What happened

The subject matter of the claim and the complaint is a saloon car, made by a premium-brand car-maker and first registered in 2012.

Mr Z had the car insured on a comprehensive policy with Admiral for the period from late November 2022 to mid-November 2023.

Unfortunately, in late February 2023, Mr Z reported to Admiral that someone had caused malicious damage to the car.

From about late March 2023, Mr Z reported that the incident had caused an engine problem. Admiral appointed one of its approved repairers.

By April 2023, Mr Z had complained to Admiral that it was responsible for delay in dealing with his claim.

By a final response dated early May 2023, Admiral apologised for delay and said it was sending Mr Z £100.00 for distress and inconvenience.

Mr Z asked us to investigate.

In late May 2023, Admiral offered Mr Z a settlement of cash in lieu of repairs. It offered just over £3,500.00 including VAT, less £850.00 excess, a balance of about £2,700.00.

In June 2023, Admiral arranged for an engineer to report on the damaged car. In July 2023, Admiral's engineer did an estimate totalling about £2,400.00 including VAT.

our investigator's opinion

Our investigator recommended that the complaint should be upheld in part.

At first (in August 2023), he didn't think that it was fair for the insurer to only offer Mr Z a cash settlement. He recommended that Admiral should compensate Mr Z a total of £350.00 for the inconvenience suffered and appoint a nearby garage to complete the repairs in full or allow Mr Z to choose his own garage with the insurer covering the full cost.

Admiral disagreed with the investigator's opinion. It provided further information.

Our investigator changed his view. He thought that the insurer's cash settlement offer was a fair reflection of the costs of the repair caused by the malicious damage. But he recommended that Admiral should increase the compensatory award from the £100.00

previously offered to £200.00 in total as a fair reflection of the non-financial losses incurred in this complaint.

my provisional decision

After considering all the evidence, I issued a provisional decision on this complaint to Mr Z and to Admiral on 13 November 2023. I summarise my findings:

Mr Z complained about delay in late March or April 2023. Admiral wrote a final response in early May 2023. So the final decision would deal with that complaint

I was minded to find that Admiral's offer of £100.00 compensation was fair and in line with what we would otherwise have directed Admiral to pay. So (unlike our investigator) I wasn't minded to uphold this complaint or to direct Admiral to increase the amount of compensation.

Subject to any further information from Mr Z or from Admiral, my provisional decision was not to uphold this complaint. I didn't intend to direct Admiral Insurance (Gibraltar) Limited to do any more in response to this complaint.

Mr Z disagreed with the provisional decision. He said the following:

"The vehicle DO NOT have any engine problem first! The independent garage who sent an estimate of repairing to the insurer back in March do not included any engine issues! [Repairer] who is approved by the insurer garage looked at the vehicle in June and did not found any engine issues and in fact the engine is working well! All damages due to the vandalism are visible and easy to see. There is no excuse for the insurer delaying the repair of the vehicle for 7.5 months! I was left with no vehicle for 7.5 months! Facts!"

Admiral hasn't responded to the provisional 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.

Scope of this final decision

The Financial Ombudsman Service is bound by the Financial Conduct Authority's dispute resolution rules. One of those rules is that, before we can investigate a complaint, the consumer must first have made that complaint to the regulated firm and waited for up to eight weeks for a final response. It follows that we can't usually investigate a complaint about acts or omissions that happened after the complaint leading to the final response.

In Mr Z's case, he complained about delay in late March or April 2023. Admiral wrote a final response in early May 2023. So this final decision will deal with that complaint.

This final decision will not deal with Mr Z's later complaints. Those later complaints include a complaint about delay and communication regarding the engineer's assessment in the summer of 2023. Those later complaints also include a complaint about the offer of cash in lieu of repairs.

Delay to April 2023

Admiral's policy terms included the following:

"Our approved repairers, or another company instructed by Admiral will: ... give you a courtesy car while your vehicle is being repaired... A courtesy car will not be provided until the repairs have been authorised."

From what I've seen, the insurer didn't act as promptly and efficiently as it should've in March and April 2023.

By late March 2023, Mr Z wasn't using one of Admiral's approved repairers. Mr Z's proposed repairer did an estimate totalling about £3,600.00 but said the following:

"We aren't prepared to repair the vehicle here. I've had the customer on the phone swearing abuse at the staff. Is also now claiming there's an engine problem which is accident related."

So I don't consider that Admiral was responsible for all the delay up to late March 2023. And Mr Z wasn't using one of Admiral's approved repairers. So I don't find that Admiral treated Mr Z unfairly by not providing a courtesy car up to that time.

I consider that Admiral was responsible for causing some of the delay in April 2023. However, in mid-May 2023, Admiral's approved repairer did an estimate totalling about £3,500.00. But it said the following:

"Please see attached report most are wear and tear. We have not cleared any just in case. Is there any way that you can arrange a CIL on this one, from the start this PH has been awkward and abusive to our staff."

So Admiral couldn't have authorised repairs in April 2023. And I don't find that Admiral treated Mr Z unfairly by not providing a courtesy car up to that time.

The delay in April 2023 caused Mr Z extra upset and inconvenience at an already difficult time for him.

Mr Z's response to the provisional decision

I think that Mr Z is saying that the car didn't have an engine problem before the malicious damage. And I've noted that the damage included a split in the engine air intake behind the front grille. Nevertheless, I haven't seen enough engineering evidence to show that the malicious damage caused an engine problem.

I accept Mr Z's point that the independent garage didn't include anything for the engine in its estimate. Its report that Mr Z was "*now claiming there's an engine problem which is accident related*" suggests that the garage didn't agree with that.

I also accept Mr Z's point that Admiral's repairer didn't include anything for the engine in its estimate. I haven't seen enough evidence that the repairer said there was no engine problem. Rather, I consider that the repairer was saying that there was an engine problem, but it didn't accept that it was related to the malicious damage.

I accept that the photographs show visible scratches. And I accept that Admiral hadn't repaired them by the time Mr Z complained (or later). I accept that he was left without the use of his car. I've noted that Admiral made an offer of cash in lieu of repairs in late May 2023. And I've explained that this final decision can't deal with Mr Z's complaint about that.

Conclusion

I'm looking at the impact of the delay about which Mr Z had complained to Admiral leading to the final response. I find that Admiral's offer of £100.00 compensation was fair and in line with what we would otherwise have directed Admiral to pay. So I don't uphold this complaint or direct Admiral to increase the amount of compensation.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Admiral Insurance (Gibraltar) Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Z to accept or reject my decision before 14 December 2023.

Christopher Gilbert

Ombudsman