

## The complaint

Miss M complains that Admiral Insurance (Gibraltar) Limited (“Admiral”) has unfairly handled a claim made under her motor insurance policy, saying it returned her car to her with unresolved scratches.

## What happened

The background of this complaint is well known between parties, so I’ve summarised events.

- Miss M holds her motor insurance with Admiral. In April 2023 Miss M’s vehicle was hit by a third-party. Following some back and forth with the third party, Miss M contacted Admiral to make a claim.
- Admiral accepted the claim and appointed its own repairer (Company A) to complete necessary works. Her car was taken for repairs in late May 2023. It was returned shortly after and Miss M raised concerns about scratches on the right-hand front door that were still present.
- Miss M said Admiral was slow to investigate these concerns and she had to chase it for updates on several occasions. She said Admiral’s mistakes led her to be £650 worse off, which included £100 she’d paid as a deposit on a rental car.
- In August 2023 Admiral investigated and issued its final response letter, saying:
  - It agreed it had made service mistakes in relation to communication and delays. It awarded £175 compensation to account for this.
  - £550 was the excess on Miss M’s policy – this remained payable as she’d made a claim. It also challenged whether an additional £100 fee was paid but said it would reconsider this upon receipt of evidence.
  - It reviewed the photos of the repair process being carried out by Company A, including inspection notes, and said this supported the impact related damage had been repaired including a respray. It said notes did not reflect dissatisfaction being raised at the time of returning the vehicle to Miss M – but it said it would reconsider upon further evidence.
- Miss M provided photos of the door that she said showed the scratches in question. She also said Admiral had only told Company A to repair the rear driver’s side, not the driver’s door
- Admiral looked again, saying:
  - It considered the date-stamped photos Miss M provided which she said showed the damage post repair. It reconsidered the matter but its engineer didn’t change their mind – saying the right-hand front door was repainted. So, Admiral stood by its position that it had carried out sufficient repairs, and disputed the damage was present upon its return to Miss M.
  - It agreed to refund the £650 by cheque.
  - As a gesture of goodwill, it would consider providing a cash in lieu payment

for repairing the scratches in question despite not being responsible for it.

- Miss M refused to provide an estimate and proceed on this basis – as she said this would leave her without a vehicle while it is being repaired.
- In December 2023 Admiral wrote to Miss M to say it had now settled the matter as non-fault on her part despite being unable to recover costs from the third party.
- The complaint came to this Service. One of our Investigators looked into things and didn't uphold the complaint. She said there was limited evidence to support Admiral was responsible for the scratches in question – and therefore its offer to cover the costs was fair and reasonable in the circumstances. She said while the repair would leave Miss M without a vehicle for a time, she wasn't persuaded Admiral was responsible for this as she wasn't satisfied it was most likely caused the damage.
- Miss M disagreed, saying she'd raised concerns about the incident related scratches not being repaired on the morning the car was returned to her – which evidenced these were incident related. She highlighted that she has mobility issues which increases the impact of being without a vehicle for any length of time.

So, the matter was passed to me for an Ombudsman's decision. I issued my provisional thoughts on 23 April 2024. I've included an extract of this below.

"There were several points to the complaint Miss M brought to this Service. I'm going to focus on the points still unresolved. These concern the handling of the claim, the condition of the car upon its return to Miss M, and whether its proposal to cover repair costs is fair.

- Admiral agreed to cover the damage to Miss M's car. It's given me its claim notes that comment on the matter – but I've been given no reports or evidence from engineers that detail the works carried out. Nor have I been given any pre-loss/post-repair evidence from Miss M to show the condition of the car after it was returned to Miss M.
- Miss M has provided two dated photos that show damage to the car door. These appear to be small scratches to the paintwork. I understand these were taken on 1 June 2023 – which was the day the car was returned to her. And the date stamp indicates the photos were taken before 9:00am. Admiral hasn't disputed the time or date the photos were taken.
- In the circumstances I've got very little evidence to go on. So, thinking about the options, I consider there likely to be three different possibilities.
  - The car was repaired by Company A – but it either didn't complete a repair on the door, or the repair carried out did not resolve the damage.
  - The car was fully repaired by Company A – then post repair the vehicle was damaged in some way while it was in Admiral's care before it was returned to Miss M the morning she took photos of it.
  - The car was fully repaired by Company A – then after it was returned to Miss M it was damaged. And she took the photos after that damage occurred.
- On its face, it seems unlikely that Miss M would've had much time to cause damage to her car upon having it returned to her – given the time of day she took the photos. Moreso, it strikes me as unlikely the damage caused would be to the same panel in a similar form to the damage it went in for repairs for. I accept it's possible, but on balance it appears most likely to me that either the repairs weren't carried out sufficiently, or if they were, the damage occurred while the vehicle was in Admiral's (or its agents) care.

- I note that Admiral has agreed to cover the costs of the repair as a gesture of goodwill to bring the matter to a close. So, my conclusion that it should cover these costs hopefully will not be a contentious one. But the point that remains is Miss M's concern that having the works done privately with a cash settlement will leave her without a courtesy car. I don't doubt this would be frustrating – and given I'm satisfied its most likely Admiral is responsible for the repairs I will leave it with the following options, directing Admiral to either:
  - Carry out the repairs itself or provide a cash settlement to the value of these repair costs upon receipt of a quote from Miss M, in line with its policy terms and conditions; *and*
  - Provide Miss M with a courtesy car in line with its terms and conditions or arrange/pay for a temporary vehicle for her while her car is being repaired.
- Admiral is required to handle claims promptly and fairly. Admiral has agreed it let Miss M down in regards to call backs, delays, and communication overall. For instance, within the correspondence it has sent this Service its position on Miss M's excess (as to whether this would be repaid) appears inconsistent.
- To my understanding, the £650 previously disputed has now been refunded to Miss M. So, I see no reason to interfere with this beyond acknowledging the communication around it appears unclear. Overall, for these reasons I don't doubt there have been failings in how the matter has been handled.
- To date Admiral has awarded £175 compensation for its handling of the matter. I'm going to increase this to £300 in light of the time this matter has been ongoing, and the frustration Admiral has caused Miss M over what appears to be a simple issue."

Both parties have now responded. Miss M responded to say she'd now sold the car so the proposed repair would be unnecessary, but she agreed with the compensation.

Admiral responded to highlight that it had previously awarded an additional payment of £150 on this complaint under a separate final response letter. It asked for me to consider this when looking at overall compensation.

### **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 reached the same conclusion as my provisional decision on the subject of compensation. I'll explain why.

I had previously reviewed the additional final response letter Admiral has highlighted. And I'd noted that the wording of the letter, the £150 compensation appeared to be awarded specifically in connection to a separate issue related to home insurance. This isn't the subject of the complaint I've been asked to look into – so while I acknowledge it may have made this payment, it hasn't changed my mind on the compensation I proposed related to the damage to Miss M's car.

As Miss M has since explained the repairs are now unnecessary as she doesn't have the car, I see no reason for me to make the previously proposed direction.

### **My final decision**

For the above reasons I'm upholding this complaint.

I direct Admiral Insurance (Gibraltar) Limited to pay Miss M £300 in compensation. It can deduct £175 from this if this compensation was already paid previously.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 27 May 2024.

Jack Baldry  
**Ombudsman**