

The complaint

Mr S complains about Admiral Insurance (Gibraltar) Limited's handling of his car insurance claim.

All references to Admiral also include its appointed agents.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my decision.

I'm aware Admiral have provided several final responses regarding this claim. I'd like to clarify that my intended decision focusses on all three of Admiral's final response letters provided in April and May 2023.

My provisional decision

I issued a provisional decision on 1 December 2023. In my provisional findings, I said:

"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'm intending to uphold the complaint for these reasons:

Delays

- From reviewing Admiral's claim notes, I can see initially there were issues with finding a repairer due to the nature of the damage. And I'm pleased to see Admiral arranged for an external assessor to inspect Mr S's vehicle when it was unable to find a repairer within its own network. While this took some time, I'm satisfied Admiral acted as fast as it could here, taking the first available appointment.*
- However, when the inspection was initially due to take place, the vehicle wasn't loaded onto a ramp. The claim notes said the assessor left because of this and the inspection didn't go ahead.*
- I can see from the claim notes there was confusion about the garage being instructed and paid for the vehicle to be on a ramp. So, this had to be rescheduled. I think this was avoidable.*
- However, I can also see that when the assessor returned to inspect the vehicle in May 2023, it again wasn't loaded onto a ramp.*
- Admiral acknowledges it has caused avoidable delays and there have been issues with communication. And across its final responses it has offered Mr S a total of £350 compensation in recognition of this.*
- I feel this amount fairly recognises the inconvenience Admiral's actions have caused.*

So, I do not intend to recommend further compensation is paid for these reasons.

Hire Vehicle Costs

- Following the second inspection Admiral decided to settle the claim, with the vehicle deemed as a total loss. The claim notes say this is due to the delays in the claim progressing and that it could not be fully confirmed if the vehicle was damaged as it hadn't been viewed on a ramp.*
- The policy does say a courtesy vehicle is not provided until repairs have been authorised and one will not be provided where a vehicle is declared as being beyond repair.*
- I appreciate the policy terms don't strictly entitle Mr S to a courtesy vehicle. But Admiral has made the decision to deem the vehicle as a total loss – and it has done so due to avoidable delays it acknowledges it has caused. And as Admiral has been unable to fully confirm if the vehicle was damaged, and to what extent, it hasn't been established that the vehicle wouldn't have needed repairs or been able to be repaired.*
- Mr S has had to hire a vehicle to use for work in this time. And I think delays caused by Admiral in inspecting the vehicle have caused Mr S to incur further hire costs. So, I think it's fair Admiral reimburse Mr S for these, from the date the original inspection was due to take place in April 2023, to the date the vehicle was deemed a total loss. If Admiral requires it, it may ask Mr S for sufficient proof of these costs such as receipts.*
- Admiral said it has already made some loss of use payments to Mr S. Admiral are entitled to deduct these amounts from what it pays to Mr S for the hire costs. However, I would also like to set out here, loss of use payments are separate to any compensation payments it made, or makes, to Mr S for inconvenience.*

Putting things right

To put things right, I'm intending to direct that Admiral should:

- Reimburse Mr S for the costs of hiring another vehicle, from the date of the original vehicle inspection in April 2023, to the date the vehicle was deemed a total loss.*
- Admiral should add 8% simple interest to this payment, from the date of the original inspection to the date it makes payment to Mr S.*
- Before it makes payment to Mr S, Admiral would then be entitled to deduct any amount it has already paid Mr S for loss of use of the vehicle."*

Responses to my provisional decision

Mr S responded to say he accepted my provisional findings.

Admiral confirmed it had no further comments following my 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.

I've reconsidered all the available information. As neither party has provided any further comments or information. My decision and reasoning remain the same as set out in my provisional findings.

Putting things right

To put things right, I direct that Admiral to:

- Reimburse Mr S for the costs of hiring another vehicle, from the date of the original vehicle inspection in April 2023, to the date the vehicle was deemed a total loss.
- Admiral should add 8% simple interest to this payment, from the date of the original inspection to the date it makes payment to Mr S.
- Before it makes payment to Mr S, Admiral would then be entitled to deduct any amount it has already paid Mr S for loss of use of the vehicle.

My final decision

My final decision is that I uphold Mr S's complaint.

To put things right I direct Admiral Insurance (Gibraltar) Limited to do as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 11 January 2024.

Michael Baronti
Ombudsman