

The complaint

Mr O complains that Admiral Insurance (Gibraltar) Limited (Admiral) provided poor service and misinformation resulting in unnecessary charges, following an accident claim under his motor insurance policy.

Mr O is represented by his son, also Mr O, in this complaint. In my decision I will refer to Mr O (the policyholder) throughout.

What happened

Mr O's son loaned him his car. The car was taken by Mr O's other son without his permission and was involved in an accident. A claim was registered with Admiral by Mr O, but this was ultimately declined.

Mr O says he was given misleading information by Admiral to leave the car at the police storage pound where it was being held. Because of this he didn't arrange for it to be collected. He says he was later told that he should collect the car. But by this point daily charges had continued to accrue, which meant he couldn't afford to pay the release costs.

Mr O says he wasn't prepared to prosecute his son for taking the car, which is why his claim was declined. But he doesn't think his other son, who's car it is, should be disadvantaged because of this situation.

In its complaint response Admiral says it'll pay for storage fees up to the date it told Mr O he'd need to collect his car. This covered a period of eleven days. It apologised for shortfalls in its standard of customer service. These issues include the time Mr O spent on hold, being passed between departments and for calls disconnecting. In addition to its failure to add Mr O's son as an authorised contact when instructed, its failure to send an email as promised, a delay in issuing a final decision to his complaint, and when asking Mr O to source his own garage to assess the damage to his car when it should've arranged this.

Admiral offered Mr O £150 for the trouble and upset it had caused him and £25 for the delay in responding to his complaint.

Mr O didn't think this was fair and referred his complaint to our service. Our investigator upheld his complaint in part. She says Admiral had given some conflicting messages about whether the car should be collected. Because of this she thought Admiral should pay the storage fees up to the date Mr O's claim was declined. She says at this point there was no doubt that Admiral wasn't covering the claim or any associated charges.

Mr O didn't accept this outcome. He maintains Admiral is responsible for the majority of the storage fees. He says his son lost his job as a result of having to take time off to deal with the claim, which has caused a great deal of distress and inconvenience. It has also meant he had no car. Because he didn't agree with our investigators decision Mr O asked for an ombudsman to consider his complaint.

It has been passed to me to decide.

I issued a provisional decision in June 2023 explaining that I was intending to not uphold Mr O's complaint. Here's what I said:

provisional findings

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, my intention is to not uphold Mr O's complaint. I understand this will be disappointing for him, but I'll explain why I think my decision is fair.

After Mr O's car was involved in a collision it was taken to a police compound. A call was made to Admiral to register a claim. During that call Mr O says Admiral's agent told him not to bother having the car released because it would be sorting this out. Mr O says based on this information he didn't collect the car. At this time, he says the cost of releasing it was less than £300. But further daily fees accrued whilst the car remained in storage.

In its complaint response Admiral sets out the policy terms and conditions that support its decision to decline Mr O's claim. The terms under the general conditions section say:

"2. Claims procedure

If you or your vehicle are involved in any type of incident, regardless of fault, you must:

- tell us about it within 48 hours*
- immediately report any incident involving malicious damage, theft or deliberate fire to the police and:*
- support them in their investigation and any prosecution against the person responsible*
- give us a Crime Reference Number within 24 hours, that relates to the incident you are reporting*

...Failure to comply with the above could result in the claim being refused and/or your policy being cancelled."

I understand why Mr O didn't agree to prosecute his son, as the person responsible for the damage. But his policy terms are clear that he must support the police, which may include agreeing to prosecute the person responsible. I don't think Admiral treated Mr O unfairly when relying on its policy terms and declining to cover his claim for this reason.

I've thought about Mr O's comments that he could've collected the car earlier. This would've avoided further charges and him being without a car for a long period. I acknowledge his comments that the charges later became unaffordable to him. And this was caused by mis-advice from Admiral's agent.

We asked Admiral for a recording of the first notification of loss call. This is when Mr O says he was told he needn't arrange collection of the car. Admiral provided a recording. I've not been able to listen to the call due to technical issues. However, the business doesn't dispute Mr O's recollection that its agent told him not to arrange collection of his car. So, I accept this is what happened.

That said, Mr O received an email eight days after he called Admiral asking him to arrange collection of his car. The email says, "Can you please arrange collection, as we have not confirmed we are going to be dealing with your claim".

From Admiral's records I can see a call took place the day after this email was sent. The call note says Mr O wasn't going to collect the car because of the previous advice he'd been given not to. In his submissions to our service Mr O's son says they were at the police storage area a week earlier when the cost to release the car was £100 to £200 cheaper. He says it's not reasonable for Admiral to tell him to leave the car and later tell him to collect it – after extra charges were applied.

The records show Mr O called Admiral on 25 June 2022. The initial instruction not to collect the car was discussed. The note says Mr O wasn't prepared to do this now because he'd been misinformed. The agent apologised if this had been the case and said at the time the claim was registered it wouldn't have been known that the claim would be declined. The note says Mr O was told he should arrange recovery of the car now so that if the claim is declined the costs are kept as low as possible. Mr O responded to say he will not collect the car and Admiral should arrange recovery. Admiral's agent confirmed this wouldn't be agreed.

I can see Admiral contacted Mr O by email on 11 July 2022. The email refers to a phone conversation with him a few days earlier and asks for his garage details so it can arrange to recover his car there. From these records it appears Admiral intended arranging recovery of the car at this time. However, around ten days later it explained it was declining the claim for the reasons already discussed. At this time Admiral told Mr O it would pay for eleven days of storage fees. But it declined to cover the cost of recovery of his car from the police storage facility.

I can understand Mr O's reasoning why he didn't pay for his car to be released after his initial call with Admiral. The business accepts that its agent told him not to collect the car.

That said, it's reasonable to accept that Admiral must first validate Mr O's claim to see if his losses were covered under its policy. At the time of his first call, it wasn't known if the claim would be accepted. However, I can't see that it was explained to Mr O that he would be responsible for further storage fees if his claim was declined - or how long this might take.

However, Admiral did email Mr O eight days after he registered his claim informing him to arrange collection of his car. It confirmed this again on 25 June 2022 over the phone.

Having thought about this, I don't think Admiral treated Mr O fairly. It told him not to collect his car initially. Because of this I think it should pay the additional fees Mr O incurred when he didn't collect his car at the time of his claim on 16 June 2022. However, it was clear by 25 June 2022, at the latest, that Mr O should collect the car to avoid further fees.

I acknowledge Mr O's comments that he couldn't afford the later fees. But the storage charges are for him to pay – this isn't something covered by his policy under these circumstances. Mr O has supplied information showing the fees include a £200 recovery charge plus £20 per day from when his car was taken to the pound on 15 June 2022. It confirms an outstanding fee of £3,640 was payable as of February 2023. This is a considerable amount. But at the time Mr O was informed he should arrange collection of his car - the charges would've been around £400. He's explained that he could've paid the initial charges of just under £300, so I think it's reasonable he could pay or arrange for money to be available to pay to release the car when he was instructed to do so on 25 June 2022.

In its complaint response Admiral told Mr O it would reimburse him 11 days storage fees if he provides the receipt once he has collected his car. Although I don't think Admiral treated Mr O fairly initially, it did enough to put things right when making this offer. So, I won't ask it to do anymore in this regard.

I've thought about the issues Mr O describes with the standard of service he received from Admiral. The business doesn't dispute there were aspects of its claim handling that weren't of a good standard. I don't doubt Mr O spent some time on the phone in contact with Admiral, and that at times he was passed between various teams and calls were disconnected. This is supported to some extent by the records provided.

In addition, Mr O's son wasn't added as an authorised party when instructed, and there was an email that wasn't sent. Mr O was also told to source his own garage to assess the damage. Admiral confirms this is at odds with its accepted process and it should've arranged a garage to do this.

Regarding Mr O's concerns about complaint handling – this isn't a regulated activity in itself so, I can't comment on delays in the final decision letter being sent.

Mr O complains that he was without a car for the period of his claim. But I can't see that his policy provides for a replacement car in these circumstances. The claim wasn't covered by Mr O's policy for the reasons already discussed. No repairs were authorised so there was no requirement for a courtesy car to be supplied.

Having considered all of this I don't think Admiral treated Mr O fairly regarding the storage charges he incurred when it told him not to collect his car initially. Also, for the customer service issues discussed here. But I think it did enough to put this right by offering to pay 11 days storage fees and to provide £150 in compensation. This is in addition to the £25 it offered for the delay in its complaint response. Because of this I can't reasonably ask it to do anymore.

I said I was intending to not uphold Mr O's complaint.

I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.

Admiral responded to say it had no further comments to make.

Mr O's representative responded to say he wants compensation as he has lost his car due to Admiral's agent being trained incorrectly. He explains that he has a young baby, and his living circumstances are 'dire'. He says when this all happened his father was moving house. He says he didn't live at the same address as his father, and this made it difficult to progress a claim. Mr O's representative says he had to take time of work to deal with this matter, which resulted in him losing his job.

Mr O's representative says because he lost his job he couldn't afford to pay the finance on his car or the charges to have it removed from the police compound. He says it was Admiral's incorrect information that resulted in him not collecting the car. To put things right he wants a refund of his insurance premium, or for Admiral to pay to release his car, or compensation for its misinformation.

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'm not persuaded to change the outcome set out in my provisional decision. Let me explain.

I'm sorry to learn that Mr O's representative (his son) is experiencing difficulties with his

living circumstances. I've reconsidered the evidence along with his further comments. But I don't agree that my decision should change.

In my provisional decision I said it wasn't in dispute that incorrect information was given by Admiral's agent initially. The information was that Mr O needn't collect the car. But eight days later an email was sent to him asking him to collect it. The email said Admiral hadn't confirmed that it would deal with the claim. Admiral also called the day after the email was sent to reiterate this message. The notes show Mr O refused to collect the car because of the initial advice not to.

I understand Mr O's argument. He says the charges would've been less had he arranged to release the car straight away. In my provisional decision I acknowledged this point. I said it was fair that Admiral offered to pay eleven days storage fees. This accounts for the period of avoidable charges due to the initial misinformation. But after eleven days there could be no doubt that Mr O should've collected the car. I'm not persuaded that Admiral is responsible for the remaining charges.

Mr O's representative (and son) isn't the policyholder here. Mr O is. I'm sorry his son has experienced financial difficulties. But I don't think it's reasonably been shown that Admiral is responsible for this or that there is reason for it to provide a premium refund. Admiral agreed to pay £150 compensation for poor customer service, along with eleven days storage fees. I think this is fair so, I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 2 October 2023.

Mike Waldron
Ombudsman