

The complaint

Miss R has complained about her motor insurer Admiral Insurance Company Limited in respect of how it handled her claim made after she was involved in a collision with a motorcyclist on a roundabout.

What happened

There was an accident on 9 April 2021 and Miss R reported it to Admiral the next day, she thought the other driver was at fault. On 11 April 2021 Miss R gave details to Admiral including that there were witnesses who saw what happened. In May Miss R spoke to Admiral – she was unhappy with the call. She felt comments she was alleged to have made had been taken as fact and was disappointed to learn the witnesses hadn't been contacted. In a final response dated 25 May 2021 Admiral accepted there had been delays to this point – particularly that it should have chased the witness statements within a week or so of the incident. It apologised and paid £175 compensation.

The claim progressed with witness statements being received and reviewed. As a consequence of the witness statements, which were all in Miss R's favour, including one from an off-duty traffic police officer, the other party to the claim asked to see details of damage to Miss R's car. To that date it hadn't been taken to Admiral's approve repairer for assessment or repair as Miss R had been unable to pay her excess. But, Admiral then decided to waive the excess and take the car in for assessment and repair. That happened in July 2021, with Miss R receiving a courtesy car for the period of repair. Her repaired car was returned to her and later, in November 2021, the other party made a without prejudice payment to Admiral for all Admiral's costs.

Miss R remained unhappy about the delays in the first three months of the claim. She said she'd had to take a week's holiday to deal with Admiral. She said she also had to move out of her home to go and stay with someone else in order to be able to get to work when she couldn't use her car, which had caused her various additional expenses. So she felt £175 compensation wasn't enough and complained to us.

Our investigator felt that £175 compensation was fair and reasonable for the distress and inconvenience Admiral's delays had caused. Miss R disagreed. She said this didn't in any way account for the financial loss she'd suffered. Her complaint was passed to me for consideration and Miss R provided evidence of her financial loss.

I issued a provisional decision. The findings of which were:

“Miss R says she was spoken down to during a phone call, with details having been taken from her unsigned statement being used as fact by the advisor, who seemed biased against her witnesses. Admiral hasn't accepted any wrongdoing during this call. I can understand why some of the things discussed upset Miss R, but conversations like this are sometimes a natural part of progressing a claim. Where fault is disputed and details have been taken down by an insurer's agent, there isn't anything unreasonable in the insurer discussing the same with the policyholder. An advisor, during a call like this, also may need to set expectations for the policyholder – not all witness testimony carries much weight. In advising

Miss R to take her time in deciding about repairs, because she couldn't pay her excess, I think the advisor was trying to be helpful. I don't think Admiral failed Miss R during this call.

Miss R also said that she'd had to take a week's leave to deal with Admiral. But when asked for details of the contact she'd had with Admiral that week, she said that the only contact was the day she was interviewed. Miss R needed to be interviewed as part of the natural course of the claim. I don't think any failure of Admiral caused her to need to take this leave.

But I do think Admiral let Miss R down in its more general handling of her claim. And, for this reason, I think it should pay some further compensation. Admiral, in my view, should have gathered the witness evidence earlier and, if it had, I think the claim would have moved to repair sooner. I say that because the witness evidence, particularly from the off-duty policeman, was persuasive and compelling. I think if Admiral had received this earlier, and knowing as it did from an early stage that Miss R was unable to afford her excess, it would always have looked to waive this. I say this given that the strength of the witness evidence meant it was always likely it would be able to recoup the excess from the other party. Of course it was never obliged to do that – Miss R, whether or not she accepted or disputed her fault in the accident, was always liable for paying this to Admiral in exchange for it progressing her claim.

If Admiral had acted sooner though to take the action it eventually took in July – to repair the car whilst waiving the excess – that would, of course, have been much better for Miss R. In between the accident and the repair, I accept that Miss R had to chase Admiral and she was understandably frustrated to learn of the delay in obtaining witness statements. She was also led to believe she'd have a chance to check and sign her statement before it was submitted to Admiral (by its agent which had taken it). But Miss R only had sight of this later. I can understand that was frustrating for her. Admiral has accepted it failed Miss R in these respects, and has paid £175 compensation for the upset caused. I think that's fair and reasonable in respect of the upset Admiral has accepted it caused. But I think it overlooks the fact that its delays caused Miss R to be without her car for about two months longer than she should have been. Setting aside the fact that Miss R was caused inconvenience because she couldn't use her car to get to work (see my comments below on this) – she was still without her car, which was insured for use for social domestic and pleasure purposes, for far too long. I think Admiral should pay her a further £125 compensation (making the total paid £300) for the distress and inconvenience Miss R was caused when its failures delayed the repair of her car by around two months.

But Miss R has reported a financial loss also. That falls for consideration separately to compensation for distress and inconvenience (which is a non-financial loss). Miss R told us that from 12 April 2021 she had to move to stay with a friend who could take her to work as she couldn't drive her car. She said her friend lives further away from her work than she does and drives a less fuel-economic car. So it has been costing her more in fuel to get to work, and she had to agree with her friend to pay them £50 a week lodgings too, whilst maintaining her bills for her home. Miss R sent some bank statements in but explained she hasn't paid her friend yet. I note that when she complained to Admiral about the delays in an email dated 20 May 2021, she told it:

"I require a car to attend my workplace and have had to seek alternative options to travel to and from work (none of which are reliable)."

That doesn't seem quite the same as the detail I've set out above about what Miss R told us. I'm not sure why there is a difference. But, because Miss R hasn't paid her friend yet, there is no evidence to support her account that she started to live with them, therefore likely incurring costs, as early as 12 April 2021 and remained there until the claim progressed to

her car being taken for repair (when she was afforded a courtesy car). So I'm not persuaded Miss T has sufficiently established that she had a loss due to Admiral's delays.

However, and whilst I understand that Miss R was left in an unsatisfactory position due to Admiral's delays, there is another reason why I can't reasonably require Admiral to pay Miss R for her reported financial loss. That is because, as referenced above, Miss R doesn't have cover on her policy for using her car to commute to work. Her cover, as noted on her policy schedule, is for "social, domestic and pleasure only". I can't reasonably require Admiral to compensate her for a loss which, whilst flowing from its delay, arises from her act of using the car outside of the agreed policy terms. Admiral has been aware for some time that Miss R was using the car outside of the agreement and seemingly hasn't chosen to take action in this respect. I think that's a reasonable response from it and I don't intend to make it compensate Miss R for her reported financial loss."

Admiral did not respond to my findings. Miss R said she thought they were unfair and that I could have contacted her friends for further detail about what she owed them. She provided two documents labelled as "Invoice"; one for lodgings and one for transport. She said she had overlooked the need to select "commuting" on her policy, but that was in part Admiral's fault as well. She said she feels she is being made out to be liar when actually Admiral had caused her a lot of problems.

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 understand that Miss R is disappointed by my findings. That is regrettable. And I also understand that she feels I should have undertaken further enquiries with her friends.

Taking the last point first, I'm sorry Miss R expected us to gather evidence for her. But it is up to her to present evidence for us to consider. And I have taken the invoices into account. But, as I said provisionally, any evidence about her costs incurred could only likely have a limited impact on my findings because of the type of use she'd insured her car for.

In respect of the type of use Miss R was insured for, I don't doubt that her policy not including use of the car for commuting was a mistake. And I know she wasn't using the car to commute at the time of the accident. But her financial loss that she asked this service to make Admiral pay, was in respect of costs she'd reported incurring, in order to get to work, when she didn't have her car due to Admiral's delays. When I award compensation I do so if a foreseeable loss occurred due to an insurer's failures. I can't reasonably say Admiral could have foreseen its delay might prevent Miss R getting to work because their agreement for insurance didn't extend to the car being used for commuting.

Whilst I've considered Miss R's objection to my provisional findings, along with the invoices she sent, her comments and evidence haven't changed my view. My provisional findings are now those of this, my final decision.

Putting things right

I require Admiral to pay Miss R a further £125 compensation for distress and inconvenience. Making the total compensation £300 (as £175 has been paid already).

My final decision

I uphold this complaint. I require Admiral Insurance Company Limited to provide the redress set out above at "*putting things right*".

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 9 May 2022.

Fiona Robinson

Ombudsman