

## The complaint

Mr K has complained about his motor and breakdown insurer Admiral Insurance (Gibraltar) Limited because when his car stopped working in France it wouldn't assist.

## What happened

He had breakdown and European cover alongside his motor insurance policy. Admiral underwrites both but uses an agent ("A"), to provide the breakdown service.

Mr K was leaving a hotel in France when his car developed a loud noise. Mr K had to pull over and couldn't continue to drive the car. He called the number from Admiral for European breakdowns but couldn't get through. He was eventually transferred after calling another Admiral number and spoke to A, Mr K then called Admiral back – he said A had said breakdown cover for that particular car (Mr K has two cars) couldn't be found. Admiral confirmed there was cover and called A to confirm. A then sent a recovery agent to Mr K's roadside location and the car was taken to a depot.

A couple of days later Mr K called Admiral again. He said the car could not be fixed in France and A had said Admiral had to arrange for it to be recovered to the UK. Several phone calls then followed until one of Admiral's call handlers established with A, *and* advised Mr K, that it believed an accident had caused the problem with the car – so it couldn't be treated as a breakdown. Mr K said there had not been an accident. Admiral told Mr K that was A's decision to make, if he disagreed with it, he'd have to take it up with A.

Mr K received a final response letter from A. It said he had said in his very first call that there had been an accident, it had mistakenly then recovered the car from the side of the road, but its garage had confirmed the damage was caused by an impact not a mechanical or electrical failure.

Admiral also issued a final response letter to Mr K. It said it could do nothing about recovering the car to the UK – that was for A to decide. Regarding the service Mr K had received initially, when trying to make the claim, it accepted the number given for European assistance was wrong and that a further mistake had meant that only one of Mr K's cars had been showing with A as having that cover. It offered £75 compensation, later increasing that to £150 (total).

When Mr K complained to the Financial Ombudsman Service, our Investigator felt £150 compensation was fair for the service issues. And she thought that given the detail A held, it had fairly and reasonably concluded an accident had occurred to cause the problem with the car – meaning she felt the decline of further assistance was fair and reasonable too.

Mr K was unhappy with the outcome. He reiterated that it had taken an hour and a half on the side of the road before A agreed to send a recovery agent. With it then being another hour and half for the agent to arrive. He then spent several hours on calls a few days later, trying to no avail to get the car out of the recovery agents' depot and recovered to the UK. Mr K said the car had never been to a garage in France – and the only report on the car was from his mechanic who had seen the car at the recovery depot, and reported that there was

no accident damage. He explained that he had the car shipped home, with his family returning to the UK to collect their other car so they could continue their holiday.

Our Investigator wasn't persuaded that Admiral had done anything wrong. So she didn't think it should have to reimburse Mr K's costs. The complaint was referred for an Ombudsman's consideration.

I was minded to uphold it. I felt Admiral should be reimbursing Mr K's costs and paying compensation. My provisional findings were:

*"I think there are a number of issues with A's position on this claim. For it to fairly and reasonably rely on the position reached, it should be supported in evidence. And I think Admiral, as the party ultimately responsible for A's decision, could have stepped in to do more for Mr K whilst his car was still in the depot in France – at the very least to make sure adequate evidence was gathered and kept.*

*As it is, the call, in which A says Mr K said he had an accident, is not available for transcribing, with it only ever having been listened to by A. Further A has put forward at least two different version of what Mr K is alleged to have said during that call. In addition A has said its garage found there was no breakdown – but the car never went to a garage, it was only seen by a recovery agent and no formal report seems to have been made by it.*

*Having noted those issues of concern with A's evidence, and even bearing in mind Mr K has shared a report he had completed on the car, I'm not persuaded I need to look into any of that in any greater detail. Rather I think that the cover for a breakdown was affirmed when A recovered the car from the side of the road – because it acted in line with the cover available.*

*A has maintained that during his first call to it, Mr K said there'd been an accident. Having spoken to A that first time, Mr K called Admiral. He said he'd broken down, and spoken to A but A had no record of his cover. Admiral then confirmed there was cover for Mr K for both of his cars and called A to advise of that. A said it could only see one car on cover, not the car which had broken down. Admiral confirmed both had cover and A agreed to action the claim, sending a recovery agent to Mr K's location, collecting his car and taking it to a safe location for storage.*

*It was only after all of this – and several further and long calls to Admiral, that Mr K seems to have been told that A would not assist further, because it thought there had been an accident. But that was information it has said it had held from the outset. Yet whilst it reportedly knew there had been an accident – meaning there wouldn't be breakdown cover – it acted to provide the breakdown cover available under the policy. In my view, A on behalf of Admiral, can't then, fairly and reasonably, deny further assistance on the basis of something which was known about when it chose to act in line with the cover available for breakdowns.*

*If A hadn't unreasonably refused further assistance, Mr K's car would have been recovered to the UK under the policy and he'd have been entitled to a hire car. As it was, Mr K has shown a cost of around £3,500 to bring the car back. And he was charged around £500 of storage fees by A's recovery agent. If I was awarding nothing else I can't see how it would be fair for Mr K to have to cover the storage costs for his car. But I think Admiral should reimburse it all, plus interest. Mr K has also detailed around £900 of costs incurred for travelling home to collect his other car and driving it back. If he can evidence those costs, I may make Admiral reimburse those too, also plus interest.*

*I think Admiral caused Mr K a lot of distress and inconvenience here. It has acknowledged errors with the number it had listed for assistance and that another error meant A didn't have*

*Mr K's cover recorded correctly. Both errors impacted Mr K at a very significant time when he was at the side of the road in a car he couldn't drive. I understand Mr K had to search for alternate numbers to try and make contact and he eventually did this via the motor insurance call centre. Only having to call that number again when A couldn't find his cover.*

*There were then several long calls to Admiral a few days later. The first call lasted over an hour – with Mr K having been kept on hold for over half an hour when he had to end the call. The second of which occurred when the call handler was coming to the end of her shift – she promised to make enquiries and leave clear notes on the file of her findings, which Mr K would then have to call back to receive the details of. When Mr K called back – his third call that day – the handler he spoke to was no clearer as to what the answer was than Mr K had been in the previous call. That handler then took on trying to find answers for Mr K and it was only following these enquiries that Mr K was told of A's intention to not assist further because Mr K had told it of an accident. Admiral never challenged A on this, and left Mr K to challenge A on his own.*

*Mr K had to take action to try and continue his holiday – I don't doubt it was upsetting for him to have to send family members home to get the other car. And he had to organise an assessment of his car himself, as well as to arrange for it to be shipped back. He had to fund all of that. If Mr K had a cost for his assessment, I may make Admiral reimburse that too, plus interest.*

*I note all of this occurred over the course of about a month to six weeks. Having considered everything I think that £300 compensation is fairly and reasonably due.”*

Admiral didn't respond initially. Mr K said he was happy with the outcome and he provided evidence of the costs he'd incurred. With the exception of those for the expert report he'd obtained as that cost had been absorbed into work completed. I considered the evidence and sent it to Admiral – confirming I intended to award the respective sums, but if it wanted to object it should let me know and I'd consider that. Admiral confirmed it accepted my findings and would pay the recommended awards.

### **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.

As both parties have accepted my findings, I've no need to review the complaint further. I'll just confirm that I've removed the initially proposed award for Mr K's expert's cost because Mr K has confirmed he hasn't been charged a specific itemised price for that. I'll also confirm that Mr K, in my view, satisfactorily evidenced his other costs, with the exception of fuel usage, and I found them reasonable. Regarding the fuel, I felt the claim for that was reasonably made given the price stated and mileage undertaken. Overall I'm satisfied the costs I've awarded are fairly and reasonably due for payment by Admiral as they reimburse outlay only incurred by Mr K due to its failures.

My provisional findings, and subsequently confirmed awards, along with my comments here, are now the findings of this, my final decision.

### **Putting things right**

I require Admiral to pay Mr K:

- £3,510.26 (no VAT attaches) as reimbursement of cost for recovery to the UK, plus interest\*.

- £511.70 as reimbursement of storage costs, plus interest\*.
- £300 compensation (if £150 has already been paid, only £150 will now be due, but I'm aware that Mr K has said he hasn't cashed any cheques, if cheques haven't been cashed, no payment has been made).

I also require Admiral to pay Mr K, plus interest\*:

- £139.82 (train fare for two from breakdown location to Paris).
- £430.00 (train fare for two from Paris to UK).
- £149.00 (ferry charge from UK back to France).
- £30.00 (taxi fare from UK train station to home address).
- £225.45 (fuel costs for driving second car from home address to ferry, and then on to breakdown location, totalling 501 miles at 45p per mile).

\*Interest is at a rate of 8% simple per year and paid on the amounts specified, applied from the date Mr K paid and to the date settlement is made. HM Revenue & Customs may require Admiral to take off tax from this interest. If asked, it must give Mr K a certificate showing how much tax it's taken off.

### **My final decision**

I uphold this complaint. I require Admiral Insurance (Gibraltar) 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 Mr K to accept or reject my decision before 5 April 2024.

Fiona Robinson  
**Ombudsman**