

The complaint

Mr M complains that Admiral Insurance (Gibraltar) Limited (Admiral) won't remove a category S marker from his car.

What happened

Mr M had a car accident in 2019 and made a claim to Admiral, his car insurer at the time. Mr M's car was deemed to be a total loss, and Admiral settled his claim with a total loss payment. Mr M retained the vehicle and had repairs carried out.

In 2023 Mr M complained to Admiral that there was a category S marker placed on his car - this means it has been structurally damaged but is repairable, but the insurer has chosen not to repair it. Mr M says there was no structural damage to his car, and he wants Admiral to remove the marker as this is impacting his ability to sell the vehicle.

Admiral arranged for Mr M's vehicle to be inspected, but they said that the marker was correctly applied to the car, and therefore didn't agree for it to be removed.

Mr M remained unhappy and approached the Financial Ombudsman Service.

One of our investigators looked into things. Initially she didn't uphold the complaint as she said based on the evidence and circumstances from the time of loss, Admiral had fairly applied the marker.

Mr M didn't agree and the investigator reconsidered things. Her view of the complaint changed and she said Admiral hadn't provided sufficient evidence of structural damage, so she said they should remove the marker.

Admiral didn't agree and asked for a final decision from an ombudsman.

I was minded to reach a different outcome to our investigator, so I issued a provisional decision to give both parties an opportunity to comment on my initial findings before I reached my final decision.

What I provisionally decided – and why

In my provisional decision, I said:

“I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

I’ve reached a different outcome to our investigator, so I’m issuing a provisional decision to give both parties an opportunity to comment on my initial findings before I reach my final decision.

I can see from the information provided that this dispute originates from an accident that Mr M had, and made a claim for, dating back to 2019. There was a dispute at that time whether Mr M’s car would be deemed a total loss. Ultimately it was, and Mr M accepted this, along with a total loss settlement payment.

However, it appears Mr M chose to retain his car and have it repaired.

In 2023 Mr M complained to Admiral that they had applied a category S marker to his car, and this was impacting him being able to sell the vehicle. He provided information from his repairing garage which he says supports there was no structural damage, and therefore he says the marker should be removed by Admiral.

Firstly, I note that from the information provided, it appears that when contacting Admiral in 2023, Mr M said he had only driven through a fence and not over a wall. However, I’ve seen the post-accident images from 2019. Mr M had driven through a fence, and his vehicle was left resting on the sills, balancing on and over a wall with a drop in front, with the front end impacting against another vehicle causing damage to both.

So, I don’t think it is a case of simply driving through a fence as Mr M says which happened in 2019.

This is important as this is why a category S marker was placed on the vehicle in the first place by Admiral in 2019. Mr M’s vehicle came to rest on a wall, balancing over it with a drop in front, it has had the full weight of the vehicle resting on the sills. So, Admiral considered it most likely that this would have impacted the sill and floor pan, both of which are structural under the salvage code of practice. And the car was subsequently deemed a total loss.

Mr M had his car repaired by his own garage after it was declared a total loss in 2019. And he’s provided information from them – (which was dated February 2023 - three and a half years after they carried out repairs) which says:

“This is to confirm that above vehicle has been repaired on September 2019 at our workshop due to light front end damage to: Front bumper and grill and other frontage cosmetics panels, and there was no structural damage and it was only light/minor.”

Mr M therefore says there was no structural damage, and the marker should be removed.

However, after Mr M complained about the marker on his car, Admiral arranged for their approved repairer to review the condition of Mr M's car and obtain images. And following this, they said the category S marker was correctly applied and wouldn't be removed.

Mr M says Admiral hasn't told him why they won't remove the category S marker, but in their final response to him, they said:

"They mentioned that the latest images provided show the jacking points where the rear one is perfect and in place but the front one has been pushed up into the sill. The review also suggested that the Images at the scene show the vehicle was halfway over the wall resting on the sill and under carriage of the vehicle, and these will have damage(sic), the vehicle would have scrapped(sic) the underneath on the wall as it was moving forward. The floor pan & sills are both classed as structural items according to the salvage code of practice."

So, Admiral has explained why they believe the category S marker is correctly applied to Mr M's vehicle, based on the incident and more recent report and images considered.

Having taken into account the images from the accident in 2019 and having reviewed the report and images considered by Admiral more recently, I think, on balance, this all supports what Admiral has said about the reasons for the category S marker being correctly applied. The car came to rest on the sills, and the jacking point has been pushed into it, and the sill is one of the areas classed as structural under the salvage code of practice. Admiral has a duty of care to make sure the history of the car is accurately recorded so future owners are aware of the history of the car, and I don't think Admiral has acted unfairly by refusing to remove the category S marker.

Having considered all the information available, and unless anything changes as a result of the responses to my provisional decision, I'm not minded to conclude Admiral has acted unfairly by refusing to remove the category S marker, so I don't intend on directing them to do so.

Admiral recognised the service they provided when dealing with Mr M's query and complaint fell short, and whilst they didn't agree to remove the marker, they paid Mr M £100 compensation for the service failings. I think that amount is reasonable in the circumstances. Unless anything changes as a result of the responses to my provisional decision, I won't be directing Admiral to increase this or do anything further."

So, I wasn't minded to uphold the complaint.

The responses to my provisional decision

Admiral responded and said they had nothing further to add.

Mr M responded and provided a copy of a letter from the garage who repaired his car.

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.

And I've thought carefully about the provisional decision I reached and the responses to it. Having done so, my final decision remains the same as my provisional decision.

In response to my provisional decision, Mr M provided the same letter from his repairing garage that I'd already considered when reaching my provisional decision (and quoted in it). And I explained in my provisional decision, whilst taking this letter into account, why I wasn't minded to uphold the complaint or to direct Admiral to do anything further.

Therefore, as neither party has provided anything that hasn't already been taken into account, or any additional information or evidence that would lead me to reach a different conclusion, my final decision remains the same as my provisional decision, and for the same reasons.

My final decision

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 8 April 2024.

Callum Milne
Ombudsman