

The complaint

Mr M complains that Admiral Insurance (Gibraltar) Limited (Admiral) failed to repair his vehicle, and caused further damage, following a claim he made following a collision, under his motor insurance policy.

What happened

In July 2023 Mr M's car was damaged when a third party reversed into the front of it. The third party accepted responsibility. Mr M contacted Admiral. It referred him to an accident management company (AMC) to deal with his claim. Mr M says the AMC arranged for a garage to assess the damage. He says after a delay of several weeks an estimate was sent to Admiral, which it declined. Mr M says Admiral then appointed its own approved repairer.

Due to the poor standard of previous unrelated repairs Mr M says the garage couldn't guarantee its work and so declined to carry out the job. He says prior to his car being assessed by Admiral's garage his car had no engine problems and started without any issues. But after the garage had taken possession the battery was flat and there were several engine warning lights showing. In addition, a door handle, a key fob, and the rear bumper were damaged. Mr M says this wasn't caused by the accident.

In its final complaint response Admiral says its engineer concluded Mr M's car was in a poor condition. It says as the damage to the door handle, rear bumper, and battery were pre-existing, cover wasn't provided.

Mr M didn't think he'd been treated fairly. He referred the matter to our service. Our investigator didn't uphold his complaint. He says the evidence indicates there were engine issues already present at the time of Admiral's inspection. He didn't think it was responsible for the flat battery, or the issues identified when starting the engine. Our investigator didn't think Mr M had shown the rear bumper and door handle were damaged by Admiral's garage either.

Our investigator says that as Mr M's claim was being dealt with by the third party's insurer, there was nothing more for Admiral to do.

Mr M disagreed with this outcome and asked for an ombudsman to consider his complaint.

It has been passed to me to decide.

I issued a provisional decision in February 2024 explaining that I was intending to partially uphold Mr M'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, I'm upholding Mr M's complaint in part. Let me explain.

When Mr M contacted Admiral to register his claim he was referred to an AMC. These companies generally deal with non-fault claims and are offered as an alternative to a customer claiming on their own insurance policy. The benefits of doing this is that the customer will usually receive a like-for-like hire vehicle, and there will be no-upfront policy excess payment to provide. The repairs are arranged by the AMC. It then claims its costs back from the at-fault driver's insurance company.

Having read the claim notes it says Mr M was given the option of using an AMC, which he agreed to. He was then referred on to this company and received documentation explaining its role and what would happen. The records show that when assessed, Mr M's car was found to be in poor condition with a number of poorly completed repairs. It was highlighted that the car had previously been a category 'S' total loss. Because of the poor standard of repairs, the AMC's garage couldn't provide a guarantee for its work. This meant it was unable to agree to the repairs.

In his submission to our service Mr M refers to Admiral's garage being unable to carry out the repairs. However, it wasn't Admiral's garage that refused to carry out the work. The repairs were being handled by the AMC at this time. After the garage refused to carry out the repairs, Admiral then took over the claim and arranged for an assessment of the damage. I acknowledge that it can be confusing when there are different companies involved. But the records show Admiral wasn't involved until Mr M's car was sent to it in August 2023.

There was a delay in Admiral's garage assessing Mr M's car. The records show the car was returned to it by the AMC in August 2023. On the 13 September the notes say the garage declined to carry out repairs, due to a lack of capacity. But Admiral clarified that it only needed an assessment at this stage. The garage confirmed it could do this. It then sent a report on 22 September. The report says:

"PH car is in very poor condition and lots of previous poor repairs. Some of the front panels have blue paint bleeding through the grey top coat denoting green parts fitted and a possible previous total loss.

Front bumper not aligned with the bonnet or wings correctly so unsure if the damage to the front is previous or related? Bumper top seal insecure n/s/f headlamp has been bonded / repaired on the upper mounting lug n/s/f inner wing support bracket rusty and signs of previous repair

scuttle panel trim broken all alloys are kebed dents scratches and poor repairs all round car and paintwork poor

Not sure as to what is related to this claim if any, and what repairs are previous.

I have estimated what I think may be related to this claim.

Battery or alternator may require renew as the vehicle has to be jump started."

Based on this report Admiral contacted Mr M on 28 September 2023 and offered a cash in lieu payment. This was for £779.21 including VAT to cover the cost of repairs that the garage identified to be claim related. I can see the records say Mr M 'just wanted the repairs to be completed'. A note dated 3 October says he was now claiming directly through the third-party's insurer. Mr M then raised concerns about the engine not starting, the damaged rear bumper, and the damaged door handle.

The claim notes show Admiral contacted its garage who advised the car battery was flat

when the car arrived. I note from its report that it said the car needed jump starting, which supports the battery or alternator issue was present when Admiral's garage received Mr M's car. The claim records say the cap from the doorhandle was already missing when the vehicle arrived on site, and that the garage "hadn't touched" the rear bumper.

The repairs identified by Admiral's garage were to the front grille, front bumper, fog lights and areas of trim. No claim related damage was identified with the car's battery, alternator, or engine. I've seen the invoice Mr M supplied from the independent garage that replaced the battery and alternator in his car. The garage also completed an MOT. The invoice came to £840. However, I haven't seen evidence that shows these repairs are related to the accident, or due to damage caused whilst the car was at Admiral's garage.

Mr M's car was initially with the AMC's garage after it was collected from him around 21 July 2023. The records show the recovery of the vehicle to Admiral's garage was 'arranged' on 22 August. I asked Admiral when the car was actually collected and taken to its repairer for assessment. It confirmed there were some problems finding a repairer able to do the work due to capacity issues. But it says Mr M's car arrived on site with its repairer on 18 September. The repairer provided an estimate on 20 September. Admiral's engineer reviewed this on 27 September and instructed for a cash settlement to be offered for the repairs that were considered claim related.

As discussed, I haven't seen information that shows damage was caused whilst Mr M's car was with Admiral's garage. It's possible damage was caused when the car was with the AMC's garage. But given the extent of poor-quality pre-existing repairs reported by the AMC's garage and Admiral's repairer, I don't think it's reliably been shown that the damage Mr M described occurred post-accident. Based on this evidence I can't reasonably conclude that Admiral is responsible for the damage described.

That said there was a delay of around a month whilst Admiral arranged for the recovery of the car and its assessment of the damage. The records show there was confusion about the instruction Admiral had given to its repairer. This appears to have delayed its assessment. I think this should reasonably have happened sooner. The delay in doing so caused Mr M inconvenience and has added to the stress he experienced. Because of this I think it's fair that Admiral pays him £150 compensation.

Having considered all of this I don't think Admiral treated Mr M unfairly in the settlement payment it offered. I'm not persuaded that it's responsible for the further damage claimed. Mr M has made a claim to the third party's insurer, so it is now responsible for dealing with the matter. If this changes Mr M will need to contact Admiral to discuss his claim further. The business should pay Mr M £150 for the inconvenience and stress it caused him. But I can't fairly ask it to do more than this.

I said I was intending to uphold this complaint in part and Admiral should pay Mr M £150 compensation.

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 didn't respond with any further information or comments for me to consider.

Mr M responded to say he has no further information or evidence to provide. However, he would like me to consider increasing the compensation award to £300 due to the inconvenience, stress, and additional damage he is still arranging repairs for.

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 haven't seen anything that persuades me that a change to my provisional findings is warranted.

In my provisional decision I said there was no evidence to support that the issues with Mr M's car had occurred post-accident whilst in the care of Admiral's garage. I'm sorry he's still arranging for the repairs, and that the payment he's received from the third-party insurer doesn't cover his costs in full. But this isn't Admiral's fault. Admiral isn't responsible for pre-existing damage or previous repairs that were completed poorly. And I can't criticise Admiral for the settlement payment the third-party's insurer has paid Mr M.

When considering the distress and inconvenience Mr M experienced, I said Admiral could've arranged collection and an assessment of his car sooner. Because it didn't, this delayed matters by around a month. I think £150 is a fair payment to acknowledge this delay and the impact it had on Mr M. This is in line with the approach our service takes in these circumstances. So, although I'm sorry Mr M is dissatisfied with my decision, I'm not persuaded to change it.

My final decision

My final decision is that I uphold this complaint in part. Admiral Insurance (Gibraltar) Limited should:

- pay Mr M £150 for the inconvenience and stress it caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 10 April 2024.

Mike Waldron
Ombudsman