

The complaint

Mrs B is unhappy with how Admiral Insurance (Gibraltar) Limited handled her car insurance claim. She is also unhappy with additional damage caused to her car before it was repaired.

What happened

Mrs B took out a car insurance policy with Admiral which started in January 2023. In late May 2023 Mrs B was unfortunately involved in a car accident. Mrs B contacted Admiral to raise a claim the same day.

Mrs B's car was collected by Admiral and was deemed to be a total loss a couple of days after the accident. It took Admiral until mid-June 2023 to inform Mrs B that her car was a total loss. Mrs B disputed the car was a total loss and Admiral agreed for a garage of Mrs B's choice to complete an estimate. As the car had been written off by Admiral, it had been taken to their salvage agent. Mrs B was also incorrectly told the car had been delivered to her house. As a result of the service received, Mrs B raised a complaint about the following issues:

- When the claim was originally raised, Mrs B wasn't informed that the car was potentially a total loss
- The amount of time it took to come to a decision about the status of Mrs B's car
 - This led to Mrs B spending a lot of money on transport
- Not updated that the car was a total loss and a lack of contact
- Admiral instructed salvage agents without Mrs B's permission

Admiral agreed that they could have handled the claim better. They offered Mrs B £350 compensation for the trouble and upset caused and £140 for the loss of use of her car. Admiral also asked Mrs B to provide any details of any losses which they were happy to consider further.

Mrs B's car was taken to a garage of her choosing who provided an estimate that was acceptable to Admiral. Mrs B's car was then repaired and returned to her. Mrs B noticed some non-accident related damage to her car that wasn't present prior to the accident. Mrs B raised a further complaint to Admiral. Admiral upheld the complaint and arranged for the damage to be repaired. They also offered Mrs B £200 compensation for the trouble and upset caused and £50 for the loss of use of her car.

Mrs B was unhappy with the compensation offered and so brought the complaints to our service.

Our investigator didn't uphold Mrs B's complaint. She said that the two compensation offers were fair in the circumstances. Mrs B didn't accept the outcome. She said that she still felt the compensation was significantly less than was warranted. She said that the distress was

significantly compounded by her disability and the lack of a vehicle was crucial for her independence and mobility. Mrs B also said that she was prescribed medication because of her interactions with Admiral. The investigator said Mrs B's comments didn't change her outcome. As a result, the complaint has been passed to me to make a final decision.

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.

At the outset I acknowledge that I've summarised Mrs B's complaint in far less detail than she has, and in my own words. I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to reach an outcome in line with my statutory remit.

When considering complaints such as this, I need to consider the relevant law, rules and industry guidelines. The relevant rules, set up by the Financial Conduct Authority, say that an insurer must deal with a claim promptly and fairly. So, I've thought about whether Admiral acted in line with these requirements when it declined to settle Mrs B's claim.

Having done so, and whilst I appreciate it'll come as a disappointment to Mrs B, I've reached the same outcome as our investigator.

Mrs B has raised two separate complaints with Admiral. Each of which Admiral upheld and offered Mrs B compensation. It isn't in dispute that Admiral haven't handled Mrs B's claim well. As such, I'll be focusing on the amount of compensation offered by Admiral and whether this was fair in the circumstances. I also note that in response to both complaints, Admiral has told Mrs B that they're happy to consider further evidence of financial loss caused by their actions. Mrs B has confirmed that she'll be submitting this to Admiral, and she'll be able to raise this as a separate complaint if she's unhappy with Admiral's response. As such, this complaint is focused on the compensation awarded for distress and inconvenience as opposed to financial loss.

I'm very sorry to hear about the impact this has had on Mrs B. In her submissions to us, I can see how strongly she feels about the situation and the impact it has had on her.

In her response to our investigator's outcome, Mrs B has only referred to the £350 compensation offered by Admiral. This was in response to the first complaint.

I appreciate that it must have been distressing and inconvenient for Mrs B to not have access to a vehicle that is crucial for her independence and mobility. Mrs B also told us that because of Admiral's actions she suffered from severe anxiety, suicidal ideation and panic attacks which required a medical prescription.

Although this is a distilled version of events, I've considered everything in the round and I think Mrs B has been caused considerable distress, upset and worry which has taken a lot of extra effort to sort out over several weeks. In line with our website guidelines, I think the £350 compensation offered by Admiral is fair and reasonable in the circumstances.

I can also appreciate that it must have been very frustrating for Mrs B to find out that her car had additional non-accident related damage caused to it. Admiral arranged for the damage to be repaired and offered £200 compensation. In the circumstances, I think this

compensation is fair and reasonable.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint. I don't require Admiral Insurance (Gibraltar) Limited to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 27 September 2024.

Anthony Mullins
Ombudsman