

The complaint

Mr B complains about how Admiral Insurance (Gibraltar) Limited has handled a claim made on his motor insurance policy. He was also unhappy that this claim and a second claim remained open, and this affected his premium at renewal. Mr B wants his car fixed and his claims settled.

What happened

Mr B's car was damaged in an incident with a motorbike, and he made a claim on his policy. Mr B said Admiral told him to get an estimate for accident-related repairs and Mr B obtained this from a dealer's garage. This noted damage to the steering caused by the impact. Admiral then instructed an independent assessor to inspect the car. This took two months to be done, but he said the car needed to be seen on a ramp at a garage.

A second report was completed two weeks later. This said the mechanical damage was unrelated to the incident. But Mr B was unhappy with this as the dealer had already confirmed the damage was caused by the incident and the independent assessor hadn't inspected the car on a ramp.

Five months later, Admiral appointed an approved repairer to inspect the car and carry out incident-related repairs. Admiral offered Mr B £470 compensation for the delays and poor communication. But Mr B remained unhappy. He said the damage had caused excessive wear on his front tyres. He had paid for a wheel tracking.

Our Investigator recommended that the complaint should be upheld. He thought Admiral had caused avoidable delays in the claim taking 10 months to authorise repairs. He thought its reports from independent assessors didn't explain why the mechanical damage wouldn't have been caused by the incident, as the dealer's garage stated.

He thought further reports weren't needed and Mr B should obtain an updated repairs estimate from the dealer's garage that Admiral should authorise. He thought it should increase its compensation to £600. He thought Admiral should reimburse Mr B for the cost of the wheel tracking and half the cost of the replacement front tyres. But he thought Admiral wasn't responsible for the increase in Mr B's premiums whilst the claims remained open.

Admiral replied that it agreed to increase its compensation offer for the delays and poor communication to £600. But it said it was awaiting a third independent assessor's report to establish whether it was responsible for the damage to the steering.

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 can understand that Mr B feels frustrated with the length of time it is taking for his car to be repaired. It's now some 20 months since the claim started and he's still waiting. Admiral said it had instructed an approved repairer and was waiting for a third independent assessor's report. It's now had two months to obtain this, but it hasn't provided it for me to consider. I

think this is an unreasonable delay, and I think it would be unfair to keep Mr B waiting any longer for a decision on his complaint.

I can see that Mr B has raised further concerns about the later delays, Admiral's communication with him and its decision not to repair his car's steering. And Admiral has provided its response to this. But my consideration here is limited to Mr B's earlier complaint that he brought to our service following Admiral's response.

Admiral agrees that it caused significant avoidable delays in the claim:

- Admiral had concerns about the repair costs for mechanical issues in the estimate provided by a dealer's garage. It took two months for it to instruct an independent assessor, but it hasn't explained this delay.
- Then this assessment wasn't made at a garage where the parts could be inspected, and a second assessment on a ramp was needed.
- From Mr B's account, which Admiral hasn't denied, the car wasn't placed on a ramp for this assessment which took place two weeks later. So I think this further assessment caused further avoidable delay.
- The assessment was made at the dealer's garage, but the assessor didn't then ask for further details of the repairs estimate and so there was a further delay whilst this was requested.
- Ten months after Mr B had provided the requested estimate from the main dealer, Admiral agreed with Mr B to appoint an approved repairer to review the damage and carry out accident-related repairs. I think this was excessive.

Admiral has agreed to pay Mr B £130 more (£600 in total) in compensation for the impact of these delays and poor communication. I think that's in keeping with our published guidance for the impact caused, so I'm satisfied that is fair and reasonable.

But Admiral has said that the mechanical damage to the car's steering was unrelated to the incident. It relied on the independent assessor's reports to decide this. But Mr B was unhappy with his assessments.

We're not engineers. We don't assess whether or how damage to a vehicle would be caused as this is a matter for the experts in these situations, the insurance companies and engineers. Our role in these complaints is to determine whether an insurance company has considered all the available evidence and whether it can justify its decision to not pay for repairs.

Mr B's garage's report was completed three months after the incident. It said:

"Customer had a motorbike hit into the front right wheel. This has caused damage to the osf wing, track rod and universal joint on the steering column. Customer is unable to move the steering wheel electronically since the impact."

As I've said above, the independent assessor didn't inspect the car on a ramp as he thought was needed. He didn't explain why he disagreed with this assessment or provide an alternative explanation for the mechanical damage to a relatively new car. He just stated that the incident wouldn't have caused any mechanical damage. So I'm not satisfied that Admiral has justified its decision to not pay for these repairs.

Admiral wanted to instruct an approved repairer, a year after the claim was made, to review the damage and repair the car. And it also wanted a further report from the independent assessor. But I don't think this would be fair or reasonable as Mr B has been waiting a long time for his repairs to be made. To put things right, I agree with the Investigator that Mr B should obtain an updated estimate from the dealer's garage and then Admiral should authorise the repairs to be made by this garage.

During the time Mr B has been waiting for repairs to be made, his car was driveable and so he remained mobile. But he's explained that he paid for wheel tracking and replaced the

front tyres that had been excessively worn due to the lack of repairs. I think Admiral made an error in not authorising the repairs sooner. And so Mr B shouldn't have had to incur the cost of the wheel tracking and his tyres shouldn't have been excessively worn due to the unrepaired damage.

So I think Admiral should reasonably restore Mr B's position by reimbursing him for the cost of the wheel tracking and, to be fair, half the cost of the replacement front tyres.

Mr B was unhappy that both claims remained open, and this affected his premiums. But I don't think it's unusual for claims to take some time to settle, especially where they involve personal injury. So I can't say that Admiral has acted unfairly or is responsible for Mr B's increase in premiums.

Putting things right

I require Admiral Insurance (Gibraltar) Limited to do the following:

1. Pay for the repairs to be carried out by a main dealer in line with an updated estimate obtained from the main dealer.
2. Pay Mr B £130 further compensation (£600 in total) for the distress and inconvenience caused by its excessive avoidable delays in handling his claim.
3. Reimburse Mr B for the costs of the wheel tracking and 50% of the front tyre replacement, on production of reasonable evidence of these costs.

My final decision

For the reasons given above, my final decision is that I uphold this complaint. I require Admiral Insurance (Gibraltar) Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 23 October 2024.

Phillip Berechree
Ombudsman