

The complaint

Miss K complains about Admiral Insurance (Gibraltar) Limited's (Admiral) handling of a claim she made under her car insurance policy.

What happened

Miss K had a car insurance policy with Admiral. In March 2024 Miss K's car was stolen, so she contacted Admiral to make a claim under her policy. Miss K says Admiral caused delays in settling the claim. She said this meant when her lease came to an end, the lease provider charged her for an additional two weeks of cover while they were waiting for Admiral to settle the outstanding finance.

Miss K says this caused her to suffer a financial loss – and she was also unhappy Admiral had deduced her excess from the total settlement paid - so she complained to Admiral who upheld Miss K's complaint in part. They said while they couldn't be held responsible for any terms under Miss K's lease provider, they agreed there had been a delay in settlement due to the nature of the claim. They offered interest on the total amount they paid as well as £100 compensation.

But Miss K remained unhappy with Admiral's response – so, she brought her complaint to this Service. An Investigator looked at what had happened but didn't recommend the complaint should be upheld. She said Admiral had dealt with the claim in a reasonable amount of time and she didn't think they were responsible for charges made by the lease provider.

Miss K disagreed with the Investigator's findings – she said Admiral should have factored in the costs the lease provider was asking for when she raised the claim. She asked for an Ombudsman to consider her complaint – so it's been passed to me to decide.

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've decided not to uphold the complaint.

I think it's important for me to clarify that I will only be considering Admiral's actions here as part of my decision. This is because a lot of Miss K's complaint points focus on the lease provider and the charges they say she owes them. But I'm not able to consider anything another company did as part of this complaint.

The crux of the complaint is whether Admiral delayed settlement to the lease provider and therefore caused Miss K to suffer a financial loss. While Admiral has said there was a slight delay in raising payment, I'm not persuaded this caused the loss Miss K is claiming – I'll explain why. I've looked at what Admiral were required to do under the policy once Miss K made the claim for her stolen car. The policy's terms say Admiral will pay the car's market

value in the event of damage or loss. And as Miss K's car was leased, Admiral paid the lease provider a total of £20,187 after deducting the policy's excess.

Miss K raised her claim with Admiral on 31 March 2024. The investigation of the claim concluded on 25 April 2024 and payment was raised on 30 April 2024. Miss K's lease came to an end on 10 April 2024 – and because payment wasn't received until 7 May 2024, they extended the lease at a charge to Miss K. The lease extension occurred because the theft happened only a few weeks prior to the lease coming to an end and payment hadn't been received by the time the lease ended. But Admiral raised payment around a month after the claim was submitted. And I don't find this to be an excessive or unfair amount of time for a theft claim to be concluded in.

While I appreciate Admiral said they should have raised payment within 28 days, even if they had raised payment 28 days after the claim was notified; this would have still been after the lease ended. Miss K would always have had to pay the lease provider for an extended period. Under the terms of Miss K's car insurance policy, Admiral is required to pay for the market value of the car to the lease provider – and they've done this. Admiral is not a party to the terms of Miss K's lease – so I don't find it fair or reasonable for them to pay for the time the lease was extended.

I appreciate Admiral consider there to be a period of around 2 weeks in which payment was delayed. And they've paid interest on the total loss settlement and £100 compensation. I'm not going to ask Admiral to make any further payments to Miss K because I'm satisfied the actions Admiral have taken produces a fair and reasonable outcome in this particular complaint.

If Miss K remains unhappy with the lease provider's actions, she would need to raise a complaint with them directly.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K to accept or reject my decision before 30 December 2024.

Stephen Howard

Ombudsman