

The complaint

Mr S and Mr S complained about Admiral Insurance Company Limited. They aren't happy about the way it dealt with two change in vehicles on their multicar insurance policy and the subsequent increase in premium.

What happened

I looked at this case previously and provided my initial thoughts in my provisional decision as follows;

Mr S and Mr S took out a multicar insurance policy for their cars in February 2021. When they bought a new car and changed the ownership of the other they asked Admiral to alter their insurance policy which lead to a number of issues that are not in dispute.

Admiral made a number of errors – it took a car off cover for a period of time when it shouldn't have, it added named drivers when it wasn't asked to and removed cover altogether for one of the cars that should have stayed on cover. Admiral also refunded over £1,000 when Mr S and Mr S were looking to change cars before realising it had made an error and recalled the money. And when it placed the correct cars on cover, as it should have done in the first instance, it requested Mr S and Mr S pay over £1,000 more for the policy than they had initially agreed to which they reluctantly paid in order to stay insured.

Admiral accepted it made a number of errors and offered Mr S and Mr S £200 by way of compensation but maintained that the premium was due. This was because it had eventually calculated the correct premiums for Mr S and Mr S' cars. But as Mr S and Mr S remained unhappy they complained to this Service.

Our investigator looked into things for them and upheld their complaint. She asked Admiral to honour the original quote it had given. This was because Mr S and Mr S only bought the new car and proceeded with Admiral on the basis of the original quotation it gave which was significantly less. And she agreed it should pay £200 compensation. As Admiral hasn't really responded the matter has been passed to me for review.

What I've provisionally 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 formed a similar view to our investigator, but I want to give both sides the opportunity to comment before I finalise my decision.

I also think it's important to explain I've read and taken into account all of the information provided by both parties, in reaching my decision. If I've not reflected something that's been said in this decision it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless it's relevant to the crux of the complaint.

As it isn't disputed Admiral has made a number of mistakes in relation to Mr and Mr S' policy I don't propose to go over the details again here. The issues are well known to both sides.

Admiral has acknowledged its failings and explained that it will disseminate the lessons learnt to its staff. It has paid £200 in compensation to Mr and Mr S in recognition of its poor service. And I think this is a fair amount of compensation in the circumstances. I know one of the cars wasn't insured for a short while, but I agree Admiral would have had to cover any issues if they had occurred as it was its error that caused the problem, but fortunately everything was fine.

Turning to the premium level I agree it would be fair, in the particular circumstances of this case, for Admiral to honour the original quotations it gave Mr S and Mr S when they first asked about changing cars on the policy. I say this as it made a number of mistakes and it seems likely that the alternative car may not have been bought or insured elsewhere if Mr S and Mr S knew it would cost a lot more than what they were originally quoted. It looks from the notes on Admiral's file that Mr S and Mr S were quoted a small additional premium when they were looking to buy the new car and place it on cover. But it is far from clear from the system notes what this figure was and Admiral have failed to respond to our investigator, comment on her view or provide a copy of the calls from this time so it is difficult to establish what Mr S and Mr S were told.

Given all of this, and the fact it was Admiral's errors and mistakes that lead to the misquote and misinformation provided to Mr S and Mr S it seems only fair that it honours the original quotes it gave Mr S and Mr S when they first contacted it about the change of vehicles. And add 8% simple interest to any refund for the time they have been without the money in addition to the £200 compensation it has offered for the stress, inconvenience and worry all of this caused.

Replies and developments

Admiral didn't respond to my provisional decision and Mr S and Mr S said they were happy with the position outlined. And felt that the addition of 8% simple interest seemed fair in the circumstances.

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.

As Admiral didn't respond and Mr S and Mr S agreed with the position outlined I don't propose to go over the detail and history of the complaint again.

I remain of the view that the complaint should be upheld. And that the fair and reasonable thing to do, in the particular circumstances of this case, is for Admiral to take the steps outlined in my provisional decision in acknowledgement of its errors and mistakes.

My final decision

It follows, for the reasons given above, that I partly uphold this complaint. I require Admiral Insurance Company Limited to honour the original quotes it gave Mr and Mr S when they first contacted it about the change of vehicles. And add 8% simple interest to any refund for the time they have been without the money in addition to the £200 compensation it has offered for the stress, inconvenience and worry all of this caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S and Mr S to accept or reject my decision before 16 September 2022.

Colin Keegan
Ombudsman