

The complaint

Mr A complains that Admiral Insurance Company Limited didn't honour the uninsured driver promise when he made a claim on his motor insurance policy. He wants a refund of his policy excess.

What happened

Mr A's car was hit by another driver. The driver was uninsured and the car's number plates were found to have been cloned. Mr A provided the car's details to Admiral, but not the other driver's identity. Admiral said he hadn't met the terms and conditions of its uninsured driver promise and declined to refund Mr A's policy excess.

Our Investigator recommended that the complaint should be upheld. He couldn't see that the policy required Mr A to provide details of the other driver. And he couldn't see any reference to cloned number plates in the policy. He thought Mr A had provided the required details of the other car and so he thought Mr A had met the terms and conditions of the uninsured driver promise. He thought Admiral should refund his policy excess and pay Mr A £100 compensation for his trouble and upset.

Admiral replied that it hadn't said Mr A needed to provide the driver's details. It said the policy stated that it required the other car's registration number. It said this hadn't been provided as the car was on cloned plates. And so it said it wasn't required to refund Mr A's policy excess. It said its policy wording was in keeping with industry practice. Mr A replied that he thought Admiral should have made it clear that cars with cloned plates were excluded from its promise.

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 A feels frustrated by Admiral's decision as he hasn't had a refund of his £750 policy excess. He's explained that this has had serious financial consequences for him. And I can see that it's now a year on from the incident. Our approach in cases like this is to consider whether the insurer's acted in line with the terms and conditions of the policy and fairly and reasonably.

Admiral declined to refund the policy excess as it said the other car had cloned number plates and so it couldn't identify anyone to make a claim against. The relevant policy term and condition is stated on page 6 of the policy booklet:

"If you are involved in an accident with an uninsured driver and it was not your fault, your No Claims Bonus will not be reduced, providing you can supply the make, model, and registration number of the vehicle. If your claim is not settled when your renewal is due, your No Claims Bonus may be reduced, and you may have to pay a higher price. However, once we confirm the uninsured driver was at fault, we will reinstate your No Claims Bonus and refund any additional premium you have paid as a result of your No Claims Bonus being reduced. Once your claim is settled, we will refund any excess you have paid."

And on page 16, it states that claims caused by an uninsured driver won't affect the No Claims Bonus.

I can't see that the policy says there are exclusions for where the other driver's car had cloned plates, for where the other driver hadn't been identified or for where Admiral hadn't recovered its losses.

I can see from Admiral's file that Mr A provided the make, model and registration number of the van that hit his car. I can see that Admiral held Mr A not at fault although it recorded a claim as the other driver had driven off. And I can see that the claim was marked as closed and settled in March 2022.

I'm satisfied that Mr A met the terms and conditions of the policy. And so I think Admiral should have then fairly and reasonably refunded Mr A's policy excess in keeping with the policy's terms and conditions. It didn't do so, and I think this caused Mr A trouble and upset. The Investigator recommended that Admiral should pay Mr A £100 compensation for this. I think that's fair and reasonable as it's in keeping with our published guidance.

Putting things right

I require Admiral Insurance Company Limited to refund Mr A's £750 policy excess and pay him £100 compensation for the distress and inconvenience caused by its handling of his claim.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 28 November 2022.

Phillip Berechree
Ombudsman