

The complaint

Ms W complains that Admiral Insurance (Gibraltar) Limited didn't take reasonable steps to ensure her private licence plate wasn't sold on with the rest of her written off vehicle, following a claim on her motor insurance policy.

What happened

In November 2021 Ms W was involved in an accident, which resulted in her sustaining injuries and the vehicle being taken to a police compound. An accident management firm initially handled the claim, instead of Admiral (with whom Ms W had a motor policy) as the third party was deemed at fault. Repairs were arranged and a hire car was provided.

In December 2021, following a settlement offer, the car hire was terminated by the accident management firm. But Ms W still needed transport, and hadn't yet received the payment that would allow her to replace her vehicle – so she called Admiral for help. During that conversation Ms W explained that she was still suffering from the accident, and was already very vulnerable due to some personal circumstances. Admiral noted that on its system, arranged for the car hire to be extended, and took the claim back in house to avoid any further delay in Ms W receiving settlement.

In January 2022 Ms W received an increased offer for the market value of her vehicle, immediately prior to the loss, and she told Admiral she was very keen to retain her personal licence plate. Admiral said the car would be moved to the salvage yard and wouldn't be disposed of until Ms W had given a replacement registration number.

At the end of January 2022 the hire car was collected – with the firm saying it had first tried to contact Ms W, but hadn't been successful. Ms W spoke to Admiral, as she hadn't yet received the cheque for the claim amount, and it quickly arranged for the payment to be sent by CHAPS. An email was sent to Ms W in February 2022, which reminded her to retain the private plate – and another email was sent in March 2022 which said Admiral had arranged for the vehicle to be disposed of by the salvage company.

Ms W got back in contact with Admiral in May 2022, and reiterated that her personal circumstances meant she had many lucid days to sort things. She learned the vehicle and personal plate had been sold on, and raised a complaint – saying she was given the impression by an agent that disposal wouldn't happen until she had provided a replacement registration number. The settlement payment was also resent, as it had bounced back due to the payment details not matching (it had to be sent to her mother's account at the time).

Admiral responded to say it didn't think it had done anything wrong, as it had emailed Ms W two reminders about the personal plate. Ms W disagreed and so referred matters to our service for review – stressing the sentimental value of the plate, and the distress caused in the context of the other challenges she faced.

An investigator here thought the complaint should be upheld, and recommended Admiral covered the cost of replacing the personal plate. Following some research he held that the fair price was £699, and Admiral agreed to cover that amount in order to resolve things. The

investigator didn't think compensation was due, as it was an on-balance call to uphold the complaint. Ms W believed compensation was warranted and asked for an ombudsman to review things. So the complaint was passed to me for a final decision on the matter.

I issued my provisional findings that said I planned to uphold the complaint, but intended to go further than what the investigator had recommended was needed to put things right. I've copied below the relevant part explaining my rationale:

"Firstly, I want to acknowledge that the whole experience would've been very stressful for Ms W, having been injured and involved in a traumatic event when she was already going through an extremely difficult time personally. While none of that is down to Admiral, it meant she was very vulnerable – and so particularly susceptible to detriment. When told about Ms W's circumstances Admiral immediately picked up that she was vulnerable. It was then correctly noted she would need to be approached with care, and might need additional support or for her claim to be handled outside of the usual processes.

There were quite a few occasions where it was very evident to me that Admiral took that seriously, and did what it could to help Ms W. I know the situation with the hire car was worrying for Ms W, but each time she contacted Admiral it stepped in to extend the hire. It also took the claim back from the accident management firm, to avoid any delays in settlement that chasing the third party could cause. Both the right thing to do. I know the hire car was eventually taken back on 24 January 2022 before settlement was received by Ms W, but I don't have concerns over that. Ms W was on notice it had only been extended to 11 January, and the accident management firm had tried to call her to find out what the situation was. I appreciate Ms W had a lot going on, but once the claim was deemed a total loss she wasn't technically entitled to the hire car, and the situation couldn't be allowed to go on indefinitely. Admiral sent the settlement payment straightaway by CHAPS when it discovered the cheque hadn't been received - so I don't think there was any more Admiral could have done in the circumstances.

However, the investigator felt more should have been done with regards to the private plate – and I agree. I appreciate Admiral followed its usual process by emailing Ms W about it, but she'd previously said she was struggling to return emails. What had been agreed was the plate wouldn't be disposed of until she'd registered it elsewhere – though I don't think that was meant to be completely open-ended. While it noted Ms W was vulnerable and knew she was very keen to keep the plate, Admiral hadn't checked what her communication needs might be. But I don't think it needed to in order to understand calling would be best. That was the only way Ms W had felt able to liaise with the insurer up until that point, and I consider it was the adjustment required here given everything she had going on.

I've then gone on to think about whether those calls would have made a difference – and I have to acknowledge that the accident management firm calling Ms W hadn't prevented the hire car from being taken away prematurely. I also know Ms W was still struggling during this period, and note that she told Admiral she only had the odd lucid day to sort things. But, on balance, I've decided calling likely would have prevented the loss here. Part of the reason Ms W didn't return the accident management firm's calls was because they came from different mobile numbers (she told Admiral that during one of the conversations I listened to), and given how important the private plate was to her I think she would have responded to Admiral's calls (knowing what its number looked like). So I think it would be fair for Admiral to cover that loss, and pay the cost of replacing the plate with an equivalent one. Ms W mentioned she was getting her own valuation done for the plate, but we never received anything further from her on that. Admiral has agreed to pay £699, based on the valuation the investigator reached – and having reviewed the evidence, I also agree that's the fair value in the circumstances.

Lastly, I've had to consider whether the £150 compensation already paid to Ms W, by Admiral as part of the complaint, is enough to cover the impact caused by the insurer's mistake – and I don't think it is. Paying Ms W the value of the plate won't give her back the exact one she had – which she'd told Admiral prior to the loss carried a lot of sentimental value. She's had to accept she's lost that gift from her father forever now, and that would have been seriously distressing – particularly in the context of her wider circumstances. That means the insurer can't now put Ms W back in the position she would have been, but for the mistake – so its only option is to pay compensation in place of that. Ms W also rightly raised she's incurred some loss of enjoyment of a new similar plate for the last year, as a fair offer for a replacement plate has only just been agreed.

Taking into account all of the above, and our approach to these awards – given the significant distress this all would have caused, I find an additional award of £350 (in addition to the £699 to cover the plate value – and the £150 already paid) would be fair in the circumstances."

I didn't hear back from either party with any further comments or evidence prior to the deadline I set.

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 reviewed the information available on the case afresh, and given there weren't any responses to my provisional findings, I see no reason to depart from the outcome I reached – for the reasons set out above. I remain persuaded that there was more Admiral ought to have done in the circumstances, and I consider not doing so has led to the loss of Ms W's personal plate. That's also resulted in significant and ongoing emotional impact for her.

My final decision

My final decision is I uphold Ms W's complaint about Admiral Insurance (Gibraltar) Limited, and direct the insurer to:

- Pay Ms W £699, as the cost to replace the personal licence plate (I don't consider interest is warranted as well, as Ms W wasn't out of pocket – this amount is in lieu of a lost item); and also
- Pay Ms W an additional £350 compensation (on top of the £150 already paid) for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 1 May 2023.

Ryan Miles
Ombudsman