

The complaint

Miss R complains about how Admiral Insurance (Gibraltar) Limited (“Admiral”) handled trying to fit a telematics device required by her car insurance policy. When I mention Admiral I also mean its suppliers.

What happened

Miss R took out a car insurance policy with Admiral in April 2022. The policy included a discount for fitting a telematics device (known as a black box).

A condition of the policy was that the device needed to be fitted in the first 30 days of cover.

Admiral made arrangements to fit the telematics device but it cancelled the appointment. Miss R re-made the appointment, but Admiral again cancelled it. This second appointment was outside the 30-day limit.

Admiral tried to contact Miss R to make new arrangements to fit the device, but Miss R didn't respond.

Because it hadn't heard from her, Admiral cancelled the discount meaning that Miss R had to pay the full premium for the year, which was £762.75 more than she was expecting to pay.

Miss R complained to Admiral. It upheld her complaint in part because Miss R had been given poor information. It awarded her £125 in total, made up of £75 for its service during her complaint, and £50 for not responding quickly.

Miss R remained unhappy and brought her complaint to this service. She remains happy to have the device installed. Our investigator looked into Miss R's complaint and initially upheld it. Admiral didn't agree with the view and provided evidence of the number of attempts it had made to contact Miss R. Our investigator reconsidered the matter and didn't uphold Miss R's complaint.

Miss R's asked that her complaint was reviewed by an ombudsman, so it has been passed to me to make a final decision.

I issued a provisional decision in which I intended to uphold Miss R's complaint:

I've created a timeline of the events from when Miss R initially set up the policy:

26/4 – installation booked for 14/5

13/5 – Admiral left voicemail to cancel due to engineer's illness – no copy of this call.

16/5 – Call to rebook – Miss R did this and booked for 9/6 which was the next available appointment.

16/5 – Admiral then realised it would not be able to do this appointment. Left

voicemail to explain. No copy of this call.

18/5 – Admiral voicemail asking Miss R to call back. Sent SMS with links to book new appointment

19/5 – Admiral left voicemail asking Miss R to call back to arrange an appointment. Sent SMS with links to book new appointment

20/5 – Contact attempt by Admiral – call terminated on being answered.

2/6 – Admiral sent email cancelling 9/6 appointment and removing discount.

7/6 – Complaint made, but Admiral failed to action it.

20/6 – Further complaint made, but not recorded on Admiral's system.

There followed a three-month delay in finding out what had happened with the install.

Admiral said it would pay Miss R a total of £125 for its actions in handling the complaint. It seems to me that Miss R was willing to have the device installed, and she made two appointments to have it done. I can see that both of these appointments were cancelled by Admiral.

Admiral has provided evidence that it contacted Miss R repeatedly about the second appointment. I've listened to the voicemails I've been provided, which don't seem to me to express the importance of the call. The first simply requests a call back. The second refers to making the appointment and asks for a call back.

There was another call to Miss R made the same day as the appointment was organised, but Admiral wasn't able to supply a copy of it.

Given Miss R's willingness to re-make the appointment and her continued preference to have the device fitted even after she contacted this service, I find it difficult to say that Admiral told her with sufficient import about what was going to happen to her policy. After all, it had already made an appointment with her that was well outside the 30 days allowed under the terms of its policy – and Admiral's own notes tell me that was the next available appointment.

So for Admiral to then increase the premium substantially on 2 June when Miss R was expecting to have the device fitted a week later I think is poor service. I think Admiral should have done more to contact Miss R and explain the situation.

I'm minded to point out that if Miss R had made a third appointment with Admiral, this would have been even later in the year.

Admiral has said its terms and conditions say:

"Installation

When must it be installed by?

You must get your device professionally installed within 30 days of the policy start date. If your device does not get installed, your telematics discount will be removed.

We, or our installers will contact you directly to confirm an appointment. If the appointment is not convenient, you may arrange to a more suitable appointment as

long as it falls within the first 30 days of the cover period.

You must make all reasonable efforts to have the device fitted within the 30-day period and arrange a suitable location for the installation to take place. Charges for missed installation appointments are outlined in this policy guide.

If you fail to install your device within 30 days, we will revert your policy to a standard Admiral policy, in which case you will lose any discounts and policy features associated with the device. We will provide written notice of this loss of discount."

I think it's also fair to say that Miss R should have perhaps done more to respond to Admiral. But again, I don't think Admiral's communications with her contained enough clarity about the urgency of her situation.

Once Miss R had realised what was happening to her premium, she then contacted Admiral and complained. I can see from Admiral's evidence that her complaint wasn't handled effectively even though she complained twice.

Given that she first complained before the date of the second appointment, I think Admiral should reasonably have dealt with Miss R by arranging the device to be fitted as soon as possible. I'm not sure why it didn't try to do this – I can see in its terms and conditions that it has various charges for missed appointments, so it seems reasonable that it could have tried to resolve the situation.

I asked Admiral about this and it replied that it "would not have been able to arrange to install or fit the box following the complaint being raised."

It seems to me that Admiral should have done something more here. It had an unhappy customer who 'd said she was still happy to have the telematics device fitted – and fitting it may well have resolved the situation entirely. Instead, Admiral didn't handle her complaint effectively or quickly leading to the compensation amount it's already offered Miss R.

Admiral may ask what more it should have done to let Miss R know about removing her discount. Put simply, it had shown it was already willing to shift its own 30-day time limit by allowing Miss R to have an appointment about 7 days outside it. But the wording of its terms insists on its installation within that time limit and failure to do this means the discount is removed. So it seems to me that Admiral allow itself to flex the terms of the policy solely to benefit itself when it's unable to perform the installation in time. And I don't think this is fair to Miss R.

I think it's fair that I say Admiral should have made it explicitly clear that the appointment was critical for her to retain her discount when it left the messages about the second cancelled appointment. Instead its supplier left short messages asking for calls back, before Admiral made the unilateral decision to remove Miss R's discount.

Taking everything into account, I don't think Admiral has acted fairly towards Miss R. I think it should refund her the overpayment she's made for the year because it cancelled both appointments and failed to communicate effectively with her about the impact of failing to fit the device on time.

But I don't think it needs to pay anything extra for Miss R's distress and inconvenience because as I say above, I think she could have done more to recognise the repeated contacts as being something she needed to act on.

Responses to my provisional decision

Both Miss R and Admiral accepted my provisional decision.

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 both parties accepted my provisional decision, my final decision and reasoning remain the same as my provisional decision.

My final decision

For the reasons set out above, it's my final decision that I uphold this complaint. I direct Admiral Insurance (Gibraltar) Limited to refund £725.75 to Miss R in respect of the increased premium it charged her.

Admiral Insurance (Gibraltar) Limited must pay the amount within 28 days of the date on which we tell it Miss R accepts my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 20 September 2023.

Richard Sowden
Ombudsman