

The complaint

Mr S has complained about the service received by Admiral Insurance (Gibraltar) Limited.

What happened

The details of this complaint are well known to the parties, so I won't repeat them again here. Instead I'll focus on giving the reasons for my 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.

Having done so I agree with the conclusions reached by the investigator for these reasons:

- Admiral quoted Mr S for a motor insurance policy over the telephone - £66 per calendar month. Mr S was happy with the quoted premium. Very shortly afterwards that same day Admiral advised Mr S that the quote was given in error. The premium it then quoted was much higher. It took into account the premium retained following an earlier total loss claim. I can understand why Mr S was disappointed – but Admiral admitted its mistake and apologised. I think that was fair. It was not obliged to honour the original quote. I'll explain why.
- I must determine complaints by reference to what is, in my opinion, fair and reasonable in all the circumstances. In considering what is fair and reasonable I have taken into account, amongst other things, the law. Generally a contract is formed when there is an offer, acceptance, consideration, and an intention to be legally bound. However, even where these elements can be made out, a contract can be voided under common law rules if a mistake is made by a party in particular situations. There are also in certain circumstances, other legal remedies which may be available to parties if they enter a contract by mistake. Mr S indicated that he wished to appeal the conclusion reached by our investigator on the basis of consumer law. He hasn't made any further representations or expanded his appeal. But having taken into account the law, and all the available evidence, I'm not persuaded that that Mr S was treated unfairly by Admiral when it advised him that the premium offered initially was incorrect and the actual premium would be higher.
- Admiral also paid Mr S £50 in compensation. Mr S didn't accept this in resolution of his complaint. I've carefully considered what happened here and I'm sorry to disappoint Mr S. But I note that it was only for a very short period that Mr S was under the impression he would be paying the lower price. I find that Admiral's apology and offer of compensation for the upset caused is fair in the circumstances. I don't require it to do anything further.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 19 February 2024.

Lindsey Woloski
Ombudsman