

The complaint

Mrs A and Mr A complain that Admiral Insurance (Gibraltar) Limited unreasonably recorded a fault claim on a motor insurance policy after a collision involving a third party.

The insurance policy which this complaint relates to is held by Mr A. Mrs A was driving the insured vehicle at the time of the relevant incident, and she has been the primary contact with both Admiral and our service. Where I refer to Mrs A within my decision, this should be taken to include Mr A where relevant.

What happened

Mrs A was involved in a collision with a third party while driving the car which was insured with Admiral. The third party was also insured with Admiral.

The third party made contact with Admiral and after this Admiral contacted Mrs A. She explained what had happened and that she felt the third party was at fault. The third party had said they believed Mrs A to have been at fault.

Admiral concluded Mrs A was at fault for the collision and so recorded the claim as such. Mrs A didn't agree and complained to Admiral. She was also unhappy about the communication from Admiral, as she'd been contacted by the third party and told Admiral had decided the collision was her fault before she heard that from Admiral herself.

Admiral accepted its communication with Mrs A hadn't been good enough and offered £150 compensation to Mrs A to recognise this. However, it said it had fairly recorded the claim as a fault claim against Mrs A.

Mrs A remained dissatisfied and referred the complaint to our service. Our investigator thought Admiral had acted reasonably and its offer of compensation was fair. Mrs A didn't accept this and asked for an ombudsman's 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.

My starting point here is to make it clear that my role here isn't to determine who was at fault for the collision, but to decide whether Admiral made a reasonable decision when it recorded a fault claim against Mrs A. It's also worth noting that if Admiral felt both parties were partially at fault then it would fairly record fault claims against both Mrs A and the third party. That means to conclude Admiral had made an unreasonable decision, and that it should instead record a non-fault claim against Mrs A, then I would need to be satisfied that based on the evidence available to it that Admiral should have, on balance, concluded that the third party was at fault.

When she spoke to Admiral, Mrs A explained she'd been changing lanes when seeking to join a roundabout where there was an incident which had already occurred. That incident

was causing congestion and the need for those joining the roundabout to change lanes. She said she checked the other lane was clear and moved to the left when she made contact with the third party's vehicle. She said she believes the third party was travelling at excessive speed for the traffic conditions.

The evidence of Admiral's notes detailing its contact with the third party and Mrs A does indicate that from an early stage it considered Mrs A to have been at fault, based on the account given by the third party. This is because when it set up the claim from the third party it said it noted the claim would be dealt with on Mrs A's claim due to the collision being Mrs A's fault. However, I can also see that after this it obtained Mrs A's account of what happened and has considered whether this meant the claim should be considered as a non-fault on the part of Mrs A.

When it made its decision, Admiral has applied the correct test, which is that where both parties hold the other liable, then it needs to look at what a court would be likely to decide. In this case, the only evidence Admiral had was the accounts of Mrs A and the third party. There were no independent witnesses, CCTV footage or dashcam recordings. This meant it wasn't possible to ascertain exactly what happened, including what speed the third party was travelling at, and whether that was excessive.

In the circumstances therefore, I think Admiral made a reasonable decision. Based on the accounts of both parties, it would seem that the third party was established in their lane, and Mrs A pulled into that lane in order to join the roundabout. I don't think there was sufficient evidence to say that Admiral should have concluded that Mrs A wasn't at fault. I know Mrs A subsequently said that she believed she wasn't moving at the time of the collision and had only edged out slightly into the other lane, but the same principles as above would apply.

Admiral's admitted its contact with Mrs A wasn't up to the standard expected and it appears to be accepted it told the third party it had held Mrs A at fault before it told her, and the delay in telling her meant the third party informed her first. I'm satisfied the £150 it offered as compensation for its poor communication is a reasonable sum, and in line with what I'd have recommended here. Mrs A was caused distress by this, and inconvenience by having to contact Admiral to ascertain whether this was correct, but ultimately the decision around liability was reasonable in the circumstances, as I've outlined above.

Finally, Mrs A was unhappy about delays to the repair of the car after the collision. However, I'm aware that there was a telephone conversation with Admiral in which it was stated that Mrs A and Mr A could speak to the team responsible for sorting repairs, but they preferred to wait for the dispute around liability to be resolved first. I can't conclude that Admiral did anything wrong here or unreasonably delayed any repairs to the car.

My final decision

I don't uphold Mrs A and Mr A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A and Mr A to accept or reject my decision before 24 April 2024.

Ben Williams
Ombudsman