

The complaint

Mrs A is unhappy with Admiral Insurance (Gibraltar) Limited's (Admiral) handling of what she says is a fraudulent claim made against her motor insurance policy.

What happened

Mrs A has previously asked the Financial Ombudsman Service to consider a complaint about Admiral's early handling of this claim. One of my colleagues issued a Final Decision on that earlier complaint. The concerns outlined here follow on from the first complaint and focuses on the timeframe between July and November 2023.

Mrs A says Admiral isn't progressing the claim against her quickly enough. She says Admiral's failure to defend her against what she considers is a fraudulent claim means her No Claims Discount (NCD) has been reduced and her premium increased, placing significant financial pressure on her, as well as causing her significant distress. Mrs A complained to Admiral.

Admiral considered Mrs A's complaint and issued its final response letter in November 2023. They said there hadn't been any avoidable delays in the investigation, which was ongoing, and they had appropriately reduced the NCD and increased the premium, in light of the claim still being open.

Unhappy with Admirals response, Mrs A asked one of our investigators to look into her complaint. He did so, initially concluding that given the liability for the incident was disputed, he didn't think it unreasonable the claim remained open. However, he thought it seemed that Admiral hadn't shown it'd taken action to progress the claim and should pay Mrs A £150. Admiral didn't agree with this recommendation and provided evidence to show how it had tried to progress the claim. Our investigator later said Admiral should pay Mrs A £75 in recognition of some minor delays and a lack of updates given to her.

Admiral didn't reply to this revised recommendation. Mrs A asked for the case to be reviewed.

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.

In the first instance, I'd like to say here that I do understand why Mrs A is so keen to see a resolution to her claim. This matter has been ongoing for a long time. Some of the issues Mrs A has complained about here, such as the increase in premiums and reduction of NCD have already been addressed by my colleague. As they've been decided by an Ombudsman, I'm not able to revisit these issues. This decision focuses on a very narrow timeframe, and I've considered whether Admiral has progressed the claim as I'd expect.

However, having reviewed the correspondence between Admiral and the third-party insurers, I don't agree Admiral wasn't progressing the claim during this time.

There's a clear exchange of correspondence between Admiral and the third-party insurer between July and November 2023. This correspondence covers some administrative issues and also addresses the issue of liability and Mrs A's concerns about a potentially fraudulent claim. Though, as both sides are aware, as of November 2023 this remained unresolved.

What I've not seen though, is meaningful contact from Admiral to Mrs A. It's clear this matter was deeply worrying for her, and Admiral were aware of Mrs A's desire to see this matter resolved. Given the background to this complaint was one that covered a number of issues and detailed the impact on Mrs A, it doesn't feel unreasonable for Mrs A to have expected Admiral would take steps to keep her updated, even if that update was that there wasn't more information to share at that time.

It seems from the notes provided it was Mrs A who instigated the majority of contact. Mrs A explained the impact being unable to afford the increased premiums had on her. And I don't think a lack of meaningful updates for four months was reasonable in the circumstances. To put things right, I require Admiral to pay Mrs A £75 to compensate her for the worry and distress experienced.

My final decision

I uphold this complaint. To put things right, Admiral Insurance (Gibraltar) Limited should pay Mrs A £75.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 5 June 2024.

Emma Hawkins

Ombudsman