

The complaint

Mr B is unhappy with how Admiral Insurance (Gibraltar) Limited has dealt with a motor insurance claim.

What happened

Mr B held a motor insurance policy underwritten by Admiral.

In September 2023, Mr B was involved in a minor collision on a motorway. He contacted Admiral and gave his version of events. He said he was in the fast lane about to overtake a lorry in the central lane, when another driver sped up very close behind him. After Mr B had overtaken the lorry, he went to move back into the central lane. But, by this point, Mr B says the other driver had moved into the central lane and undertaken him, causing Mr B to collide with the rear corner of the other vehicle. Mr B thought his dashcam had captured the accident, but it hadn't.

The other driver's version of events differed from Mr B's. They held Mr B responsible for the accident because they said they were established in the central lane when Mr B moved over and hit them. In view of this, Admiral went on to accept liability.

Mr B complained. He restated his version of events, provided diagrams and cited the Highway Code. He also referred to an audio recording of the third party admitting they were trying to get around Mr B because he wasn't moving out the way. Mr B also noted that the other driver was claiming for personal injuries, but Mr B didn't think the accident caused any.

Admiral looked into the complaint but didn't change its stance. It said it had accepted liability because the third party would've been established in the central lane and Mr B would've likely seen them. It also said it had to deal with the personal injury claim. In a further conversation, Admiral said it believed Mr B's version of events, but it didn't think it would be able to defend the claim in court. And it didn't think the audio recording would make a difference. However, it said it would leave Mr B's no-claims discount intact.

Mr B didn't think this was fair, so he referred his complaint to the Financial Ombudsman. Our investigator looked into the matter but didn't think the complaint should be upheld. He thought it was reasonable for Admiral to accept liability with the evidence it had available.

Mr B didn't agree. He thought Admiral's decision was wrong and it wasn't fair for him to suffer the financial consequences of being held responsible for the accident.

Because Mr B didn't agree, the complaint has come to me to make a final 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'm not upholding the complaint. I know this will be very unwelcome news for Mr B, and I recognise his strength of feeling about the accident. I've explained my

reasons below – and I’ve focused my comments on what I think is most relevant. If I haven’t commented on any specific point, it’s because I don’t believe it affects what I consider to be the right outcome.

I should first explain that it’s not my role, or the role of this service, to decide whether Mr B was responsible for the accident, or whether the other driver’s personal injury claim is genuine. Only the courts can do this. What I’ve had to decide is whether Admiral has acted fairly and reasonably, and in line with the terms of Mr B’s insurance policy.

I can see Mr B’s policy gives Admiral the right to handle any claims. The relevant term says, “We are entitled to conduct the investigation, defence and settlement of any claim on your behalf”. Similar terms are found in most motor insurance policies, so I don’t find this unusual. Based on this, I think Admiral was entitled to settle the claim as it saw fit and that it could take this decision without the agreement of Mr B. So, I’m satisfied Admiral acted in line with Mr B’s policy terms when it chose to accept liability.

Even so, I would expect Admiral to have given Mr B the opportunity to support his position. And I would expect any evidence provided to have been considered by Admiral before it decided to settle the claim on a fault basis. And I think Admiral did so here.

I’ve reviewed Admiral’s claim notes and listened to the relevant calls. I can see Mr B provided his version of events to Admiral and its investigators. I appreciate Mr B feels Admiral didn’t take everything into account and didn’t give enough weight to his evidence. But I’m satisfied that Admiral did consider the available evidence. It explained that it didn’t think it would find success in court because the damage to the other driver’s vehicle was to the rear quarter, and Mr B’s to the front quarter, which suggested to Admiral that the other driver was established in the central lane, was almost in front of Mr B, and was therefore visible when Mr B changed lanes.

I appreciate Mr B disputes the other driver’s version of events. But as they stated this to their insurer and would presumably be willing to restate it in court, I think it was reasonable for Admiral to factor this into its decision.

It’s regrettable that Mr B’s dashcam didn’t record the incident, and I know he’s frustrated about that. But given the lack of supporting evidence, the nature of the vehicle damage, and Admiral’s right to settle claims made against it, I don’t think Admiral’s decision to settle this particular claim was unreasonable.

Mr B says that undertaking is dangerous and isn’t usually allowed. He says his audio recording proves the third party undertook him. But I don’t think this means Admiral’s decision was unreasonable. Admiral says recordings from the aftermath of accidents have admissibility issues in court. I can’t comment on this. But as a motor insurer Admiral will have experience with the admissibility of evidence relating to liability. And even if Admiral is mistaken, I think its rationale for accepting liability still holds, regardless of how the third party reached the lane that Mr B was manoeuvring into.

Mr B also says the accident didn’t cause any injuries, so he doesn’t think Admiral should settle the personal injury claim. I can see Admiral was waiting for medical evidence before deciding. But as Admiral has accepted liability for the accident, I think it’s reasonable that it also considers the personal injury claim.

I recognise this isn’t the outcome Mr B was hoping for and I want to reassure him that I’ve considered the points he’s raised. But I’m satisfied Admiral has acted fairly and reasonably, in line with Mr B’s policy terms. So, I don’t require Admiral to do anything further.

My final decision

For the reasons above, I don't uphold Mr B's complaint about Admiral Insurance (Gibraltar) Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 9 September 2024.

Chris Woolaway
Ombudsman