

## **The complaint**

Mr and Mrs M have complained about the way Admiral Insurance (Gibraltar) Limited administered their insurance policy.

Mr M has primarily dealt with the matter, so I'll refer to him only for simplicity.

## **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.

Our investigator thought Admiral had taken reasonable steps to put things right. I agree, and for the same reasons, so I don't think there's a benefit for me to go over everything again in detail. Instead, I'll summarise the main points:

- Mr M needed home and motor insurance. He got in touch with Admiral and took out a policy over the phone, costing around £6,500. He understood that included cover for him as a named driver on a particular vehicle.
- Admiral sent out policy documents to confirm the cover provided. Mr M noticed he wasn't included as a named driver for the vehicle as expected. Admiral said it would cost nearly £2,000 extra to add him. Mr M thought Admiral had made a contractual agreement, including covering him as a named driver for the vehicle, at the original price – so it should keep to that agreement. Admiral said it would listen to the first call and, if it had agreed to cover him as a named driver for that vehicle, it would waive the extra cost. If it hadn't, he would have to pay extra. Mr M agreed with that.
- Soon after, Admiral took the near £2,000 extra cost. Mr M complained that Admiral hadn't kept to its original agreement – or the agreement it made in the follow up call. Admiral accepted it had made mistakes and paid £300 compensation.
- There's no doubt Admiral acted unfairly in this case. It made a mistake in the initial call by giving Mr M the impression he would be covered as a named driver for the vehicle, for the original cost, when that wasn't so. In order to put right that mistake, it agreed to listen to the call, potentially waive the extra cost, and let Mr M know the outcome – and didn't do any of these things. This is very disappointing, and I can understand why Mr M may feel badly let down by Admiral.
- As it's clear mistakes have been made, I'll go on to consider what impact they had on Mr M. That is, what would he likely have done had the mistakes not been made? And does that mean he's lost out as a result – financially or otherwise.
- Mr M seems to have been prepared to pay the extra cost, if he'd known of that cost from the outset. And he's been clear he's not complained that Admiral took the extra cost early. So I think it's likely that if Admiral had told him about the total cost in that first call, Mr M would have paid it. That means he'd be in the same financial position as he is now and hasn't lost out financially.

- But it's clear he's suffered avoidable distress and inconvenience – both from the first mistake but particularly the second – because Admiral made agreements which it didn't keep. In the circumstances, I'm satisfied £300 compensation is reasonable.
- I know Mr M's main complaint point is that Admiral made a contractual agreement in the first call, so it must keep to that agreement. But it's not my role to make a finding about the legal standing of an agreement. It's to look at what happened from a fair and reasonable perspective.
- Here, it's clear Admiral made a mistake in that first call and would never have offered the policy for the original price if it had added Mr M as a named driver for that vehicle. I've found Mr M would likely have paid the extra cost if he'd have known about it during that call. So I think the only detriment to him is distress and inconvenience – and Admiral's compensation payment has put that right. I consider that means Admiral has, overall, acted fairly and reasonably.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Ms M to accept or reject my decision before 20 November 2024.

James Neville  
**Ombudsman**