

The complaint

Mr C and Mr C complain that Admiral Insurance (Gibraltar) Limited has unfairly handled a claim made on their motor insurance policy. They feel it has failed to challenge the liability decision and the value of the claim is inflated and unreasonable.

What happened

Mr C and Mr C, (father and son) have a policy which provides cover for both to drive the same car. The son is the policy holder and Mr C the father, who was involved in an accident, is a named driver on the policy.

They are unhappy that Admiral made a decision to settle a claim made on the policy as a 'fault claim'. Mr C denies he caused the accident and maintains the third party was responsible for breaking unexpectedly. He feels Admiral has failed to consider whether an underlying health condition with the third party was disclosed and could have been a factor in the accident. And the damage claimed for is excessive to what was likely caused.

Our investigator said this Service is not here to determine liability. Instead our role is to decide whether Admiral acted fairly when reaching the decision it has on the claim. He said it is able to decide how to settle a claim and the terms and conditions for the policy confirm this. And from the information provided, Admiral had made a fair claim decision and taken account of everything it needed to when reaching this outcome.

He was satisfied Admiral had confirmed whether the third party had a valid driving licence and it didn't need to go further than this with the checks it undertook. And he didn't think it acted unfairly settling the claim as it did based on the third parties' insurers request for costs.

Overall he didn't think Admiral had done anything wrong with its handling of the claim and he said any increase in premium as a result of how the claim had been settled would be fair.

Mr C and Mr C disagreed. They felt Admiral had not protected them as a customer by asking more questions about the third party and their underlying health condition. They felt it was unfair to say the third party who braked suddenly could not be at fault. And not enough focus had been placed on the third-party admitting liability to Mr C after the accident.

Our investigator's opinion remained unchanged and because of this, the complaint was referred for 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.

I've decided not to uphold this complaint, for much the same reasons as our investigator. I appreciate this will be disappointing for Mr C and Mr C, but I'll explain why I think Admiral has acted fairly with the claim.

As our investigator set out, this Service does not determine liability, this is a matter for the

courts to decide if in dispute. Instead, I have considered whether Admiral, based on the information presented and obtained, acted fairly and reasonably with its handling of the claim and claim decision.

Mr C does not deny crashing into the car in front of him, but he feels the car in front braking suddenly without warning was the reason for this. He also feels more weight should be placed on the conversation he had with the third-party driver after the incident.

Admiral has said the Highway Code places an obligation on a driver to leave enough distance between themselves and the car in front to allow for a safe stop if the car in front were to slow down suddenly. When Mr C was unable to do this, it demonstrates he wasn't driving with a safe distance left. And although it accepts the third party may have apologised at the time and accepted liability, this was later disputed. There is no dashcam footage or independent witness statements to support what happened and in the absence of this, Admiral can only make a decision based on the information it has.

Admiral doesn't think it could successfully defend the liability on the claim. It is not denied that Mr C crashed into the back of the car in front, raising concerns about a safe stopping distance being maintained. As the insurer, Admiral is entitled to decide whether to defend liability or not and based on what it has considered, I don't think it has been unreasonable in settling the claim as a fault claim.

Mr C has questioned a number of times the underlying health condition of the driver who stopped in front of him. Admiral checked whether there was a valid licence in place but did not go further than this with its checks and I don't think this was unreasonable. Guidance on the condition of the third party does not place any requirement on them to notify the insurer of this condition unless there is a belief it will hinder their ability to drive. In the absence of this, it has no impact and it would be unreasonable for Admiral to explore this further.

The value of the damage for the third party is vastly in excess of Mr C's damage to his own car, so I understand the frustration at this. But a lack of damage to one does not mean the other car fared the same. And Admiral is satisfied the damage and cost of this damage is inline with what it might expect for a claim of this nature. It would have challenged the amount if it was not and a difference in the value of damage on each car alone does not demonstrate an error with the third-party damage being accepted.

Overall, I've not seen anything to demonstrate Admiral has been unfair in its approach to this claim. I understand the frustration Mr C has with the accident and how this played out and the later redaction of liability being something he feels is unjust. But Admiral has shown it has considered everything fairly and reached a claim decision which I think is reasonable based on the information provided.

Mr C and Mr C have concerns that this claim decision will impact the renewal cost of the insurance. Claims are likely to always impact the premium of insurance, but as I don't think Admiral has acted unfairly in how it has handled and recorded this claim, I cannot say that any impact of the claim on the cost of the policy would be unfair.

My final decision

For the reasons I've explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Mr C to accept or reject my decision before 21 February 2025.

Thomas Brissenden
Ombudsman