

The complaint

Mr A complains about Admiral Insurance (Gibraltar) Limited's (Admiral) handling of a claim made under his motor insurance policy.

Any references to Admiral include its agents.

What happened

Mr A says he was involved in an accident with a third party. They exchanged details and Mr A said it appeared neither car had any damage. The following day Admiral called Mr A to tell him a claim had been logged by the third-party against him. Mr A thought this strange, as he thought there hadn't appeared to be any damage to either car. He asked Admiral to keep him updated.

Mr A says he later discovered the claim was settled for in excess of £1,100. He raised a complaint saying his account of the lack of damage hadn't been listened to and disputed the amount the claim had been settled for. Admiral responded to Mr A's complaint and said they accepted their communication had not been at the expected standard and this included letting him know how the claim had been settled. But they said they wouldn't have been able to discuss the damage to the third-party car with him. Admiral offered Mr A £100 compensation.

Unhappy with this, Mr A referred his complaint to the Financial Ombudsman Service. His concerns were considered by one of our investigators who said she considered Admiral had acted appropriately in terms of how it settled the third-party claim. And she thought the compensation was sufficient in the circumstances.

Mr A didn't agree so this matter has been passed to me.

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 noted Mr A's request that I phone him before reaching my decision. However, I'm satisfied that I have enough information to decide this complaint without speaking to him. Mr A has explained his points about the complaint in some detail in writing. I'd like to reassure him that I've considered all he's said, even if I haven't commented on everything.

There are two issues here for me to decide. The first is whether Admiral acted fairly in how it closed the claim which includes settling the damages claimed for by the third-party. The second is whether Admiral has paid sufficient compensation for what they acknowledged is poor communication.

Admiral has shared both the dashcam footage of the accident and the repair invoice sent by the third-party. In terms of reviewing the dashcam footage, it can be clearly heard that contact is made with the rear of the third-party car.

I note Mr A has told us about pre-existing damage to the third-party car, but I don't think that's relevant here. I say this because the damage to the third-party car Mr A described was along the driver's side. Whereas the dashcam footage supports contact was made with the rear of the third-party car and the estimate for repairs was for the same area.

Admiral says it settled the claim because the damage claimed for was consistent with the circumstances of the accident. And having reviewed the information available, I'm satisfied Admiral has taken adequate steps to consider the claim made by the third-party before deciding to accept liability.

Admiral has set out its commercial decision to settle claims below a certain financial level. The estimate presented by the third party was below this amount and was supported by dashcam footage showing the circumstances around the accident. I'm satisfied Admiral has handled the claim made appropriately, and I won't be asking it to do anything further in respect of the claim made by the third party.

I'll turn now to the contact between Admiral and Mr A. Mr A specifically asked Admiral to keep him updated and they acknowledge they failed to do so. This doesn't impact the outcome of the claim as this would always have been closed with a payment made of just over £1,100. But I consider Admirals' poor communication would have added unnecessary stress and worry for Mr A. However, I consider the offer of £100 compensation appropriate in the circumstances and I'm not going to require Admiral to pay anything more.

My final decision

My final decision is that I don't uphold Mr A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 26 November 2024.

Emma Hawkins

Ombudsman