

## **The complaint**

Mr H complains that Admiral Insurance (Gibraltar) Limited mishandled his motor insurance policy.

## **What happened**

For the year from early November 2023, Mr H had two cars insured on a multi-car policy with Admiral.

In May 2024, Mr H called Admiral, got a quotation, and added his son's car to the policy.

In June 2024, Mr H called Admiral, got a quotation, and added his wife's car to the policy.

By early July 2024, Mr H had complained to Admiral that the policy documents said that the policy covered the additional two cars until November 2024, rather than for a year.

By a final response dated 9 July 2024, Admiral accepted the complaint and said that it was sending Mr H a cheque for £100.00 compensation for inconvenience.

Mr H asked us to investigate.

Through us, Admiral offered Mr H an additional £100.00 compensation (making a total of £200.00) for distress and inconvenience. Admiral also offered Mr H the option to remove the additional cars on payment only for time on cover (with no cancellation fees or charges for loss of discount).

Mr H didn't accept that offer.

Our investigator thought that Admiral's offer was fair.

Mr H disagreed with the investigator's opinion. He asked for an ombudsman to review the complaint. He says, in summary, that:

- Two separate sales agents both failed to advise him that the insurance cover was not for 12 months.
- Therefore Admiral mis-sold a product twice.
- He suffered a significant financial loss as a result. For example, his son's car was insured with another insurer for 12 months at an approximate cost of £1,500.00. The same car has been insured by Admiral at the same cost for 6 months. That is a loss of £750.00 alone for this vehicle.

## **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 note that Mr H paid about £1,100.00 to cover his sports car for the year from early November 2023 to early November 2024. I've noted that there was eleven years NCD. Cover was comprehensive.

I note that Mr H paid about £370.00 to cover a hatchback car for the year from early November 2023 to early November 2024. I've noted that there was twelve years no-claims discount ("NCD"). Cover was for third party, fire and theft ("TPFT").

I accept that Mr H paid about £1,742.22 to cover his son's hatchback car from mid-June to (as it turned out) early November 2024. I've noted that there was no applicable NCD. Cover was for TPFT.

I accept that Mr H paid about £427.41 to cover his wife's car from early July 2024 to (as it turned out) early November 2024. I've noted that it was a luxury sports utility vehicle and there was no applicable NCD. Cover was comprehensive.

Admiral didn't tell Mr H on the telephone that cover was only to November 2024. I don't condone that.

If the payments for the two additional vehicles had been to cover the periods of June 2024 to June 2025 and July 2024 to July 2025, then Mr H would've been better off by thousands of pounds.

However, I'm not persuaded that Admiral caused Mr H any financial loss. I say that because he only ever had a multi-car policy to cover the year to November 2024. Also, by early July 2024, Mr H was aware that cover was to November 2024. Yet he kept the additional vehicles on the policy. So I'm not persuaded that Admiral had arranged cover that was unsuitable for his needs.

In any event, if Admiral had been causing Mr H a financial loss of thousands of pounds, then he could've mitigated that loss by taking the additional vehicles off the policy and finding alternative cover. He didn't do that, even after Admiral's offer through us, to only charge for time on cover.

For those reasons, I don't find it fair and reasonable to direct Admiral to insure the additional cars beyond the renewal date in November at no additional cost to Mr H, or to pay compensation for any financial loss.

### **Putting things right**

Rather, I consider that Admiral caused Mr H a loss of expectation, distress, and inconvenience. Considering the level of that impact on Mr H, I agree with our investigator that £200.00 is fair and reasonable compensation in line with our published guidelines.

As it is now almost early November 2024, I don't find it fair and reasonable to direct Admiral to keep open its offer to remove the additional cars on payment only for time on cover.

### **My final decision**

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct Admiral Insurance (Gibraltar) Limited to pay Mr H, in addition to its payment of £100.00, a further £100.00 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 28 November 2024.

Christopher Gilbert

**Ombudsman**