

The complaint

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

What happened

Mr A has a car insurance policy with Admiral. In June 2023 Mr A was in an accident with a third-party vehicle so he made a claim to Admiral.

Mr A's car was deemed a total loss and he was offered settlement. Mr A was unhappy with the settlement he was offered and complained to Admiral.

Admiral issued a final response on 12 July 2023 in which they explained how they'd calculated the settlement and maintained the amount they'd offered was fair.

In February 2024 Mr A complained to Admiral as his claim hadn't been closed, he hadn't been updated by Admiral regarding what was happening, and he hadn't had his excess reimbursed.

Admiral issued a final response on 8 February 2024. In this Admiral accepted they had caused delays and the communication had been poor, so they offered £100 compensation. They also said that whilst not part of the usual process, they'd add Mr A's excess to the losses that they were trying to recover from the third-party.

Mr A remained unhappy and approached the Financial Ombudsman Service.

We asked Admiral for information to be able to consider the complaint further. Admiral said that part of the complaint (the vehicle settlement amount) fell outside our jurisdiction as they said Mr A had approached this service too late.

For the complaint points Admiral agreed were in our jurisdiction (the delays, communication and excess) they offered an increase in compensation to £250 from the £100 already offered in their final response dated 8 February 2024.

Mr A didn't accept the compensation and asked for his complaint to be looked into by our investigator.

The investigator reviewed things and said that the valuation part of the complaint fell outside our jurisdiction as Mr A had approached this service too late.

For the remaining complaint points which were in our jurisdiction and addressed in Admiral's final response dated 8 February 2024, she noted Admiral's increased offer of compensation totalling £250, but she didn't think this was fair for the service Mr A had received. Therefore, the investigator recommended the total compensation be increased to £350.

The investigator also said that if Mr A was unhappy with anything that had occurred after Admiral's final response dated 8 February 2024, he'd need to raise that separately as a new complaint with Admiral.

Admiral agreed to the increased compensation, but Mr A didn't. So, the case was passed to me to decide.

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.

This final decision relates to Mr A's complaints about Admiral's delay in reimbursing his excess, and Admiral's handling of his claim including delays and poor communication up to 8 February 2024 when Admiral issued their most recent final response. I've written separately to both parties explaining why I can't consider Mr A's complaint about the claim settlement amount.

As outlined by our investigator, if Mr A is unhappy with anything that has occurred after Admiral's final response of 8 February 2024, he'd need to raise it with Admiral in the first instance as a new separate complaint

Claim handling

It's not in dispute Mr A's claim wasn't handled in line with his reasonable expectations, and this is why Admiral initially offered £100 compensation, and then made an increased compensation offer of £250 after the case came to us.

As both parties are already aware of exactly what happened during the claim and this isn't in dispute, I don't intend on outlining the full timeline of what happened. I don't mean this as a discourtesy to either party, instead it reflects the informal nature of this service and my role within it. Having said that, I'd like to reassure both parties that I've considered all the information they've provided when reaching my final decision.

The claim was made in June 2023 and Mr A provided details of the third-party to Admiral. Despite this, there was little movement on the claim for a number of months. The third-party was a vehicle registered outside the UK, and whilst this may mean things are more complicated in pursuing a claim, it appears there was little action by Admiral until February 2024 when Mr A contacted Admiral to complain. Throughout this time Mr A wasn't kept updated either to let him know what was happening or what the next steps were.

Mr A says he found the whole situation very stressful, and Admiral already accepts the claim wasn't handled in line with Mr A's reasonable expectations and the service and lack of communication was poor.

Having considered all the information provided, and whilst I recognise Mr A doesn't think it's sufficient, I agree with our investigator that a total of £350 compensation would be fair and reasonable in all the circumstances of the case. To be clear, this total amount of £350 includes the initial £100 and increased £250 offers already made by Admiral.

Policy excess

Mr A complained about the delay in Admiral reimbursing his £560 excess. However, throughout the claim Admiral explained to Mr A that this was an uninsured loss. But in Admiral's final response dated 8 February 2024, they said that whilst not the usual process,

they'd include it within the statement of losses to the third-party. I think that was reasonable in the circumstances at that time.

In any event, I understand that Admiral has now successfully recovered this from the third-party and has since paid this to Mr A.

My final decision

It's my final decision that I uphold this complaint in part and direct Admiral Insurance (Gibraltar) Limited to:

- Pay Mr A a total of £350 compensation (including the £250 already offered by Admiral which was already increased from £100)

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 27 November 2024.

Callum Milne
Ombudsman