

## **The complaint**

Mr A complains about Admiral Insurance (Gibraltar) Limited's decision to hold him liable for an accident and settle a third party's claim on his car insurance policy.

Mr A has been represented by his mother Mrs A in this complaint. But for ease of reference, I shall refer to anything Mrs A said on Mr A's behalf to have been said by Mr A. All references to Mr A therefore, include Mrs A.

## **What happened**

Mr A had a car insurance policy with Admiral. In May 2022, his car was involved in an accident with a third-party (TP). Mr A reported the accident to Admiral but didn't make a claim. Admiral told Mr A any claim was likely to be settled on a split liability (50/50) basis.

In May 2023, Admiral advised Mr A the third-party insurer (TPI) had made a claim on Mr A's policy. Admiral said it would look to settle the claim based on split liability.

In April 2024, Admiral informed Mr A it held him fully liable. Mr A complained.

Admiral issued a complaint response in July 2024. It said it had a right under the terms to settle a claim how it sees fit, and Mr A could still claim on his own policy for damage to his car. Because a claim was made by the TPI against Mr A's policy, it said Mr A's no claims discount (NCD) had been fairly reduced. Admiral said it accepted liability because the TPI sent court documents along with a good version of events. And because Mr A was unable to remember what happened, Admiral said it wouldn't look to defend the claim in court.

Mr A referred his complaint to the Financial Ombudsman Service. He was unhappy Admiral decided liability without asking him for further information, despite initially indicating it would pursue split liability. He wanted damage to his car to be repaired by the TPI.

The Investigator didn't uphold the complaint. They said the terms allowed Admiral to settle a claim how it chooses and it had done so fairly. They said if Mr A wanted to repair his car, he could do this through his own policy with Admiral.

Mr A didn't agree. He said Admiral told him the claim would be settled based on split liability. He wanted the TPI to repair his car and Admiral to reinstate his NCD. He was unhappy Admiral didn't request further information from him in April 2024, despite claiming it did.

Because the complaint couldn't be resolved, it's been 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.

I've outlined above the complaint Mr A asked the Financial Ombudsman Service to investigate, when he referred it to our service. And in this decision, I've focused on what I think are the key issues in that complaint, based on what Mr A told us, and his comments

following the Investigator's view. No discourtesy is intended by this, but it simply reflects the informal nature of the way that the Financial Ombudsman Service reviews complaints.

Mr A is unhappy Admiral held him liable for the accident and paid the TPI's claim. I should explain that this service isn't able to say who's at fault for causing an accident – that is the responsibility of the courts. Our role is to look at whether Admiral has carried out a fair investigation, reviewed all the evidence it has and come to a reasonable conclusion.

Mr A's policy, like all other car insurance policies, will allow Admiral to take over, defend or settle a claim. So it was entitled to settle the claim, on the best terms it thought fit. And it had the ultimate and final say in how to settle a claim. Admiral therefore didn't need to ask Mr A's permission if it wanted to settle a claim. But it needed to exercise this right fairly and reasonably, taking into account everything both parties had provided.

Mr A said he was told Admiral would pursue split liability. Admiral's notes from May 2023 show it advised Mr A the TPI was making a claim and it would look to settle based on split liability. But the notes also show Admiral explained this would depend on whether the TPI agreed, and it hadn't yet agreed to this. I've not seen any other evidence to persuade me Admiral told Mr A it would definitely be able to settle the claim based on split liability, so on balance, I don't think it did.

Admiral said it couldn't defend the TPI's claim because the TPI sent a good version of events and Mr A was unable to remember what happened. And because the TPI sent court documents, Admiral said a judge would likely rule in favour of the TP. I've not seen evidence to persuade me what Admiral said is incorrect, so with the above in mind, I can't say Admiral's decision to not defend the claim further was unreasonable. So in the circumstances, I'm persuaded it exercised its right to settle the claim, fairly.

Mr A said Admiral didn't make contact in April 2024, to ask him for more information, despite claiming it did. I've not seen sufficient evidence to persuade me Admiral said it had asked for more information. But even if it had, I've not seen sufficient evidence to persuade me Mr A would have been able to provide information that would've changed Admiral's stance. I say this because Admiral said Mr A was unable to remember what happened at the time in 2022, so I think it's unlikely he'd have been able to recall anything further, or provide more evidence, in 2024.

Mr A wants Admiral to reinstate his NCD. The terms of his policy say his NCD will be reduced if a claim is made against his policy. Because the TPI did make a claim on Mr A's policy, and Admiral incurred an outlay on the claim, I consider it reasonable that Admiral reduced Mr A's NCD.

Mr A said he wants the TPI to repair the damage on his car. I've outlined above why I consider Admiral acted fairly in applying the terms and accepting liability for the accident. So I won't direct Admiral to pursue the TPI for any claim Mr A wishes to make for damage to his car. As outlined by Admiral in its complaint response, Mr A can contact Admiral to make a claim on his own insurance policy, if he wishes.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 17 February 2025.

Monjur Alam  
**Ombudsman**