

The complaint

Miss K complains about the way Admiral Insurance (Gibraltar) Limited handled her policy renewal and No Claims Bonus (NCB) entitlement. She says this could have caused her issues with future insurance. She also says they caused delays in refunding her policy excess as well as causing general delays to her claim.

What happened

In September 2023 Miss K's car was involved in an accident, and she contacted Admiral to make a claim through her motor insurance policy. Miss K said that despite being told her NCB would be allowed in January 2024; when she came to renew her policy in June 2024, she was informed that her NCB status wasn't recognised as non-fault.

Miss K also says during her renewal call with Admiral in June 2024 she was told for the first time that the claim would stay open for a period of 12-months. Miss K said she hadn't been told this previously, which meant there was the potential for issues to have been caused when renewing her policy with another insurance provider. Miss K said this could have caused both financial and reputational impacts to her.

Miss K said her NCB wasn't accurately updated and this had been incorrectly listed on her renewal documents. She said she'd had to spend time chasing this up to be corrected. And Miss K was unhappy that she'd spent time chasing up the return of her excess payment as well as general delays and errors in handling her claim. Miss K said she found this distressing given her personal circumstances at the time – so she complained to Admiral.

After considering Miss K's complaint, Admiral agreed they had caused some inconvenience while dealing with claim and the renewal process. They offered to pay any financial losses incurred, as well as £100 compensation for trouble and upset. But Miss K didn't think Admiral had offered enough to make up for the impact of their actions – so, she referred her complaint to this Service.

An Investigator looked at what happened but didn't recommend that Miss K's complaint should be upheld. He said Admiral had acknowledged the errors made and corrected her policy documents to show the correct number of NCB entitlement. And he thought their compensation award of £100 was fair and in line with this Service's approach to compensation awards.

Miss K disagreed with the investigator's opinion. She didn't think the compensation reflected the level of inconvenience she had experienced. Miss K maintained that had she unknowingly reported her claim as settled while renewing with another insurance provider, it could have rendered her insurance policy null and void. And she maintained Admiral's general handling of her claim and complaint added to an already stressful situation for her.

As Miss K didn't agree with the Investigator, the complaint has 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.

Having done so, I've reached broadly the same outcome as the Investigator.

I should start by explaining what I will be considering as part of this complaint. I'm aware Miss K has raised several complaints about Admiral's handling of her claim and renewal. And while I appreciate Miss K feels the matters largely overlap as part of her experience in dealing with this matter – in this decision I'm only considering the issues that Admiral addressed in their Final Response which covered: the renewal information, Miss K's concerns over information given to her, as well as her policy excess refund and the general handling and delays. This is because Miss K's other concerns have either already been addressed in a previously closed complaint; or form the basis of another complaint this Service is currently considering - and this means I won't be making additional findings or awarding compensation that has already been considered by another complaint.

It's not in dispute that Admiral's customer service wasn't to the standard to which Miss K could reasonably expect to receive. I can see Admiral acknowledged they'd caused some inconvenience due to errors in correctly showing Miss K's NCB entitlement; as well as causing delays in refunding her policy excess. So, I don't need to make a finding on whether or not Admiral did something wrong here. What I need to decide is whether they've done enough to put things right. I can see Admiral apologised for their errors and made an award of compensation for this particular complaint of £100.

A compensation award isn't intended to fine or punish a business, it's to recognise the actual impact the business' actions have had on their customer in a particular complaint. This is important because a major complaint point of Miss K's is the potential impact that could have been caused to her if she'd renewed her policy with a new insurer, but not told them the claim was outstanding. Miss K says this could have led to her policy being declared void, as well as causing reputational issues to her. I understand Miss K's concerns around this - but I can't make a hypothetical award for something that might have happened – but didn't. And so, all I can consider is how Miss K was actually affected.

I haven't detailed everything here, as the same is well known to both Miss K and Admiral – but I've considered everything Miss K has said about the impact on her - especially in respect of a family member being hospitalised, which I was sorry to hear about. I can imagine this would have been distressing for Miss K to deal with on top of her concerns with Admiral.

From looking at the claim's process, I do think Miss K spent a lot of time chasing Admiral for updates, and she's initially had a poor and stressful claims experience over and above what I would consider to be normal. I agree it would have been inconvenient to receive renewal documents with incorrect information on them, as well as having to chase for the return of her excess. And I have sympathy for Miss K's complaint points about poor communications from Admiral generally.

I've no doubt the delays and uncertainty would've caused Miss K some additional distress and inconvenience. But having thought about this complaint very carefully, as well as this Service's approach to compensation awards, I find that the £100 Admiral awarded is a suitable sum to recognise the impact of their actions on Miss K in this particular complaint.

While I appreciate Miss K feels the sum Admiral paid isn't enough to compensate her – I'm satisfied this total award produces a fair and reasonable conclusion and I won't be asking them to increase this sum.

I can see Miss K raised several complaint points around how Admiral handled her complaint, including information requests and call backs being promised. But complaint handling in itself isn't a regulated service. This means I'm not able to consider these points or make a finding on them as part of my decision.

Finally, I should highlight that any outstanding issues can be brought as a new complaint for Admiral to consider should Miss K remain unhappy with those points. And she would be free to then bring that new complaint to this Service if she remained unhappy with Admiral's response.

My final decision

For the reasons I've given above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K to accept or reject my decision before 18 April 2025.

Stephen Howard
Ombudsman