

The complaint

Mr O complains about how Admiral Insurance (Gibraltar) Limited recorded a claim against his policy and the effect that had on his premium.

What happened

Mr O holds a policy with Admiral. When his daughter was involved in an accident, they called to let Admiral know. Ultimately the claim was dealt with on the other driver's policy – also provided by Admiral.

Mr O complains about how the incident was recorded against his policy. He's said this should be notification only. He's said when the policy renewed it was much more expensive than the previous year and thinks this might have something to do with the claim. He said Admiral told him the claim wasn't affecting the price.

Admiral said it did initially make an error in reopening the claim when Mr O complained about it, but it said that reopening it had no effect on the premium. It confirmed the claim is recorded as notification only.

Our Investigator explained that they'd seen Admiral's pricing information and said they were satisfied the policy was priced correctly.

Mr O didn't agree and asked for an Ombudsman's decision.

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'm not upholding this complaint. I'll explain why.

I can understand why Mr O is unhappy. He thought he wasn't claiming on his own policy for the incident so was understandably shocked when the price of the policy increased at renewal.

It's not the role of me, or anyone at the Financial Ombudsman to tell an insurer what risk factors it needs to consider when pricing an insurance policy. Nor is it my role to say what weighting should be placed on those factors. Those decisions are commercial decision, with different insurers taking different approaches, which helps keep the market competitive.

What I need to determine is whether or not Admiral priced Mr O's policy fairly, based on its pricing criteria. And here, I'm satisfied it's done that. Admiral has sent a detailed explanation of the factors influencing the renewal price of Mr O's policy. I'm not able to share that information, or the details of what it contains – on account of it being commercially sensitive. But I'm satisfied Mr O's policy has been priced using the correct information and that said information has been fairly assessed against Admiral's pricing criteria.

Admiral has explained and evidenced that the reopening of the claim when Mr O complained

hasn't affected the renewal price quoted. So while it shouldn't have reopened that claim, doing so hasn't financially impacted Mr O. I understand Mr O is unhappy he was told the incident would have no impact on the premium, and that's not the case, the incident has had some impact. But I'm not persuaded that advice warrants any compensation. Ultimately the policy has been priced against the risk. That risk didn't change based on anything Admiral told Mr O. Nor would Mr O have been able to take any action to change that risk, or avoid the impact it would likely have, had Admiral told him the accident would likely have some effect on his premium.

My final decision

For the reasons set out above, I don't uphold this complaint.

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

Joe Thornley
Ombudsman