

The complaint

Mr D complained about Admiral Insurance (Gibraltar) Limited's actions after a claim on his motor insurance policy resulted in a county court judgement (CCJ) being taken against him.

What happened

Mr D said that Admiral took too long to settle a third party's claim against his policy, failed to prevent them taking a CCJ against him, and took too long to resolve that situation. He said Admiral didn't act with the urgency required and their communication and service were poor.

Admiral admitted that it was their mistake that the CCJ was taken. They settled the claim, and reimbursed Mr D an amount he'd paid. They also paid Mr D £500 in compensation. He didn't think that was enough to compensate him for the financial and emotional stress and inconvenience he'd experienced.

The investigator didn't recommend that the complaint should be upheld. He thought that Admiral didn't need to take any further action. Mr D didn't agree and so I've been asked 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.

Mr D has referred me to a previous decision made by this Service to support his view about what is reasonable compensation. However that is about a different complaint by a different consumer. Every case turns on different facts and is dealt with by this Service on its own merits, and I don't intend to compare those with Mr D's.

Admiral admitted their mistake which resulted in the CCJ against Mr D. That's not in dispute. However once Admiral were made aware of the situation they acted to resolve it. They paid the third-party claim, settled the judgement, and arranged for the Registry to have the CCJ removed from all credit agencies' records. The effect is that there should be no CCJ on Mr D's credit record. Admiral also instructed their solicitors to obtain the cancellation certificate, and I'd expect them to progress that to conclusion.

Admiral paid Mr D compensation of £500. The investigator considered that was a fair and reasonable amount and was in line with this Service's distress and inconvenience compensation guidelines, to which he referred Mr D.

Mr D has shown us that when the CCJ was taken against him, it caused his mortgage lender to refuse a decision-in-principle in the mortgage he was applying for and led his credit card company to reduce his credit limit by 90%. He said this disrupted his financial stability and caused him stress and embarrassment, and the financial and administrative impact of Admiral's failures went beyond inconvenience.

Mr D fortunately managed to resolve the mortgage application situation. I can see that there would have been some embarrassment for Mr D at that time and I sympathise with that, but I've not been shown persuasive evidence that Mr D incurred financial loss there because of the CCJ.

Mr D said that his credit card company haven't increased his credit limit to the pre-CCJ level and this has substantially reduced his borrowing ability and financial flexibility. I can't fairly say that's #s fault. As the investigator explained, Admiral have done what they can by ensuring the CCJ was removed from Mr D's credit record , and this was confirmed to have happened in 2024. So effectively there was no CCJ on Mr D's credit record. So it's not clear why his credit lender should ignore that. But in any event, I've not seen persuasive evidence of actual financial loss shown to have been caused here either, such as increased interest fees or charges or alternative higher borrowing costs or other consequential costs.

Mr D was also unhappy that he'd had to spend time to intervene and manage resolution of a stressful problem that Admiral should have prevented. He saw that the CCJ could be removed from his credit file if the judgment was settled within the one-month period after judgement. But although Admiral settled the judgement claim with the third party there was a deficit of about £50. Mr D paid that himself direct to the third party's solicitors so that it was in time for the CCJ to be removed within the one-month time limit. Admiral did reimburse Mr D that amount. But he felt that if he hadn't paid it himself, and repeatedly followed it up with Admiral, Admiral wouldn't have met that time limit, and the CCJ would have remained on his credit file affecting him adversely for longer. I can understand Mr D's fear that this might have occurred, and of what could have been the potentially serious long-term impact of that. Nevertheless, it didn't happen, and I can't require Admiral to compensate him for it as if it did.

I do see that the situation caused Mr D worry and upset, and he felt financially embarrassed by the situation, and I take that into account. However for the reasons I've given, I think that Admiral's compensation of £500 did reflect the level of inconvenience resulting from their mistake, and was in line with our published guidance as fair redress for impact and time to resolve. While I do realise that Mr D will find this disappointing, I think that it was fair and reasonable in the circumstances. This means that I don't require Admiral to pay any more compensation or do anything further.

My final decision

For the reasons I've given above, I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 26 September 2025.



Rosslyn Scott
Ombudsman