

The complaint

Mr A complains that Admiral Insurance (Gibraltar) Limited (“Admiral”) mishandled a claim on his motor insurance policy.

What happened

For the year from late August 2023, Mr A had a comprehensive policy with Admiral. Mr A acquired an electric car made by a specialist car-maker and first registered in 2023. From at least 18 September 2023, the policy covered the car.

Mr A reported that in mid-June 2024, a third party’s vehicle and his car had been involved in an accident at a car park covered by CCTV.

Admiral invited Mr A to renew the policy for the year from late August 2024, at a cost of about £3,600.00. The renewal invitation said that the equivalent charge for the previous year would’ve been about £1,800.00. Mr A and Admiral went ahead with the renewal.

By September 2024, Mr A had complained to Admiral (“the September 2024 complaint”), including that it hadn’t chased the CCTV footage and it had held him liable for the accident.

By a final response dated 25 September 2024, Admiral accepted the September 2024 complaint in part, namely that it hadn’t chased the CCTV footage. Admiral said that it was sending Mr A a cheque for £250.00.

By early February 2025, Mr A had complained to Admiral (“this complaint”) that it hadn’t applied for CCTV or contacted witnesses and it had incorrectly recorded his version of events.

By a final response dated 14 February 2025, Admiral accepted this complaint and said that it was sending Mr A a cheque for £200.00.

Mr A brought this complaint to us in mid-April 2025.

Neither Mr A nor Admiral told us about the September 2024 complaint or the payment of £250.00.

Our investigator recommended that this complaint should be upheld in part. She thought that Admiral didn’t do enough throughout the investigation of this claim. Nevertheless she didn’t think that Admiral acted unfairly by settling the claim in the way it did.

She recommended that Admiral should pay an additional £150.00 compensation, which she said brought the total compensation to £350.00.

Mr A disagreed with the investigator’s opinion. He asked for an ombudsman to review the complaint. He says, in summary, that:

- The third party was reversing when Mr A started moving slowly out of the parking

space.

- The third party was speeding and not paying attention.
- The CCTV footage would have shown what happened.
- Admiral incorrectly recorded Mr A as saying that the third party was correctly proceeding.
- He was without a car and incurred travel expenses for 12 days. Admiral didn't provide a courtesy car until 27 June 2024.
- Admiral should've done more to contact two witnesses.
- The evidence would've changed the liability stance.

Admiral disagreed with the investigator's opinion. It says, in summary, that:

- It accepted the September 2024 complaint and paid £200.00 compensation.
- So it has paid a total of £400.00 for the failure to obtain the evidence (witness statements and CCTV), which is adequate compensation.

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.

Scope of this complaint and this decision

The Financial Conduct Authority's dispute resolution rules are binding on the Financial Ombudsman Service.

One such rule is that, before we can investigate a consumer's complaint, the consumer must first have made that complaint to the regulated firm and waited for up to eight weeks for a final response.

It sometimes happens that a consumer makes a complaint to the firm, receives a final response and brings the complaint to us, but with the addition of more recent points of complaint. In such circumstances, the rule means that we can deal with the initial complaint, but the consumer would have to make the additional complaint to the firm and wait for a final response before we could investigate that.

Also, we have to operate a two-stage process under which an investigator gives an opinion and, if either party asks, an ombudsman gives a final decision.

I haven't seen enough evidence that Mr A complained to Admiral about delay in providing a courtesy car or about consequent travel expenses. Indeed, I don't consider that Mr A mentioned such a complaint to us until after the investigator's opinion.

So the investigator didn't investigate any complaint about the courtesy car. I consider that this was in line with the rules. I make no findings on such a complaint in this decision.

The September 2024 complaint was the subject to Admiral's final response dated 25 September 2024.

However, Admiral's final response dated 14 February 2025 didn't mention the September 2024 complaint or the September 2024 final response. Nevertheless, Admiral's final response dated 14 February 2025 included a review of liability.

And Admiral has now referred back to the September 2024 complaint and final response.

So – notwithstanding that Mr A didn't bring the September 2024 complaint to us within the deadline of six months - I can consider his complaint including about liability.

Findings on this complaint

Different insurers assess risk and set premiums in different ways at different times. That said, insurers mostly regard any claim (and more so a fault claim) as increasing the risk of a further claim and requiring a higher premium.

Where an insurer has made an outlay on a claim, it's common practice for that insurer to record a fault claim against its policyholder unless and until it recovers its outlay in full, typically from a liable third party's insurer.

An insurer may agree to split liability with another insurer (e.g. 50/50). In that case each insurer will recover some but not all of its outlay.

Admiral's policy terms included the following:

"Defending or settling a claim

We are entitled to:

- *conduct the investigation, defence and settlement of any claim on your behalf".*

The effect of that term was that – on a question of how best to deal with a claim involving a third party - Admiral's view would prevail over its policyholder's view. That's not unusual in motor insurance.

I will consider whether Admiral treated Mr A fairly. Unlike a court, we don't hear evidence from each driver and decide the extent to which they were responsible for causing damage.

I'm not satisfied that Admiral correctly noted what Mr A had said. The February 2025 final response included the following:

"The email mistakenly stated that you pulled out from a car park onto the main road. In reality, you were exiting your parking space in a private retail parking area when the third-party vehicle, which was speeding, collided with your vehicle."

Nevertheless, Admiral had received a claim and a differing version of events from the third party. Admiral had been obliged to decide how to deal with it.

Admiral has accepted that it didn't ask for the CCTV. That was poor claims-handling.

From its file, I find that Admiral tried to contact two witnesses, but, when this was unsuccessful, Admiral didn't try again. I consider that Admiral should've done more in this respect.

Admiral decided that, rather than incur the cost and risk of court proceedings, it would accept liability on Mr A's behalf.

Admiral later reviewed that decision and the February 2025 final response included the following:

“... the liability remains with us as we were the ones pulling out, and the third party was approaching from our right”

On balance I'm not persuaded that the CCTV or the witnesses would've shown that the third party was responsible for the accident. So I don't find it fair and reasonable to direct Admiral to change the way it has recorded the claim.

Nevertheless I've found that Admiral didn't do enough to pursue not only the CCTV but also the witness evidence. The impact on Mr A has included a strong (although I consider mistaken) belief that Admiral has deprived him of a better outcome namely a non-fault claim. I keep in mind that the duration of the impact on Mr A is about a year.

I've seen that Admiral didn't communicate with Mr A as well as it should've. The impact on him included that he had to spend time chasing for progress and updates.

Putting things right

Admiral's September 2024 final response didn't note any complaint about not contacting witnesses. Also, that final response said that the claim had been recorded as non-fault at the time of renewal. So the payment of £250.00 didn't take into account any impact of not pursuing the witness evidence or any impact of being held at fault.

Admiral's February 2025 final response noted Mr A's complaint about not contacting witnesses. However the final response didn't deal with that complaint. So I consider that the payment of £200.00 didn't take into account any impact of not pursuing the witness evidence.

Overall, keeping in mind the impact on Mr A, I don't consider that Admiral's total payments of £450.00 were enough to be fair and in line with our published guidelines on compensation for distress and inconvenience. I conclude that a total of £600.00 is fair.

My final decision

For the reasons I've explained, my final decision is that I uphold this complaint in part. I direct Admiral Insurance (Gibraltar) Limited to pay Mr A, in addition to its previous payments totalling £450.00, a further £150.00 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 October 2025.

Christopher Gilbert

Ombudsman