

The complaint

Mr W has complained about Admiral Insurance (Gibraltar) Limited. He isn't happy about the way it has dealt with a claim under his motor insurance policy.

What happened

I looked at this case and provided my initial thoughts in my provisional decision as follows:

Mr W made a claim under his motor insurance policy after he was involved in a minor road traffic incident impacting the wing mirror on his car. The other driver didn't stop at the scene, but he managed to get details of the car, including a photograph of the other car and its number plate.

When Admiral looked into this matter for Mr W it wasn't able to fully identify the driver but it appointed solicitors to try and trace the driver and reclaim its costs. But Mr W was unhappy about the time it was taking to finalise the claim and the impact the open claim was having on his premiums. When he complained to Admiral about this it explained that any claim would impact a consumer's risk and premium and that if liability is settled fully in Mr W's favour his policy would be rerated and any additional costs refunded at that point in time. And it said that it wasn't responsible for any complaint about the appointed solicitor.

As Mr W remained unhappy he complained to this Service. Our Investigator looked into things for him but didn't uphold his complaint. He thought that Admiral had acted fairly in looking into his claim which was clearly impacted by the other driver not being identified. And he agreed that any specific complaint about the appointed solicitor could not be considered by this Service and would have to be considered separately.

As Mr W didn't agree the matter has been referred to me for review.

What I've provisionally 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 presently minded to form a different view to our investigator and partly uphold this complaint, I'll explain why.

I can understand Mr W's frustration here with the delay in finalising his claim which has been significant and impacted by the other driver not stopping at the scene and delay in identifying him.

As Mr W is aware Admiral has the right under the policy terms to take over the settlement of the claim. This gives it the right to decide whether to take a third party to court or settle a claim. Legal proceedings are time-consuming, expensive and the outcome can be uncertain. As such, it will not always be commercially viable to take legal action against a third party.

However, this Service's general approach is that insurers should act fairly and reasonably in deciding whether to settle or pursue a third party. We expect insurers to make a reasonable assessment, based on a clear understanding of the evidence and the circumstances of the accident. And in this case Admiral is still looking to defend Mr W and has appointed a solicitor to try and advance the claim so it is acting fairly, and Mr W may want to complain if liability isn't ultimately settled in his favour once this process is finalised.

However, the matter has been drawn out and although any complaint about the solicitor cannot be looked at by this Service it is Admiral's responsibility to keep Mr W updated about the claim. And I think its communication with Mr W about the claim has been poor and delayed, so I think he should be awarded £200 by way of compensation.

I say this as Admiral told Mr W at one stage that the third-party had admitted liability only to tell him at a later stage that it hadn't been able to identify the third-party. And I think it could have looked to appoint a solicitor earlier to advance the claim and identify the third-party and it was responsible for providing meaningful updates which it hasn't done, even now.

Given all of this, I think the fair and reasonable thing to do is for Admiral to pay Mr W £200 by way of compensation for the poor service, communication, and delay. I know this will come as a disappointment to Mr W as he just wants the claim finalised in his favour and the open claim is impacting his premiums. But any claim, fault or non-fault, will impact risk and in turn his premiums and if the claim is eventually settled in his favour, he will be able to get his policy re-rated.

Replies

Both sides responded to my provisional decision.

Mr W was grateful for the assistance and said he had nothing further to add. While Admiral said they accepted the decision as outlined.

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.

As both sides appear to accept my provisional decision, I don't propose to go over the detail of this complaint again.

Given the general acceptance of the position outlined I maintain that the fair and reasonable thing to do is for Admiral to pay Mr W £200 by way of compensation for the poor service, communication, and delay it caused.

Hopefully liability will be settled in Mr W's favour and his policy can be re-rated accordingly. And if it isn't for any reason, and Mr W remains unhappy, then he can complain to Admiral again about this.

My final decision

It follows, for the reasons given above, that I partly uphold this complaint, and I require Admiral Insurance (Gibraltar) Limited to pay Mr W £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 5 August 2025.

Colin Keegan
Ombudsman