

The complaint

Mr F and his father (also Mr F) complain that Admiral Insurance (Gibraltar) Limited mishandled a motor insurance policy.

What happened

Mr F was a teenager who got a driving licence in about August 2024. So he didn't have a no-claims discount. He wanted to insure a car, first registered in 2014.

For the year from 26 September 2024, Mr F took out a policy with Admiral. The policy covered Mr F as the policyholder and his father as a named driver. The contact email address was Mr F's father's address. The cover was third party fire and theft.

It was a telematics policy that required a device installed in the car. The cost for the year was going to be about £1,800.00.

The policy terms included the following:

"Dealing with device faults

Broken telematics unit

If, during the term of the insurance policy, the telematics unit is suspected by us to be defective, we, or the supplier will contact you and make all reasonable attempts to repair or (at our option) replace the telematics unit free of charge. If a visit from an engineer is required to repair or replace your telematics unit, you will again be contacted by us or the installer network to book a suitable appointment. You must ensure your vehicle is made available to our engineers within 14 days of our request to inspect the telematics unit, or your telematics discount will be removed."

By a letter dated 23 December 2024, Admiral told Mr F that the telematics device wasn't working correctly.

As requested, Mr F contacted the installer to arrange an appointment with an engineer on 9 January 2025 to fix the telematics device.

On about 13 January 2025, Admiral contacted Mr F again and told him that the telematics device wasn't working correctly again.

As requested, Mr F contacted the installer to arrange an appointment with an engineer on 3 February 2025 to fix the telematics device. The engineer kept the appointment, but Mr F didn't because of a family emergency. The engineer had a discussion with Mr F's father.

By an email and letter to Mr F dated 6 February 2025, Admiral asked Mr F to book an appointment with the installer. It said that the appointment had to be within 14 days, that is before 20 February 2025. Unfortunately Mr F's father did not see or read the email at that time.

By a letter dated 24 February 2025, Admiral said that as Mr F hadn't arranged an appointment for an engineer to repair the telematics device by 20 February 2025, it had deactivated the device and removed the telematics discount. It said an additional premium of £467.54 was due.

Mr F's father contacted Admiral. It said that a fee of £35.00 was also due for the missed appointment. Mr F's father complained to Admiral including about the increased cost.

By a final response dated 11 March 2025, Admiral turned down the complaint.

Mr F and his father brought the complaint to us in late March 2025.

Our investigator recommended (in mid-June 2025) that the complaint should be upheld in part. He thought that Admiral should've given another opportunity to Mr F to arrange an appointment considering it was the second time the telematics device was faulty. He recommended that Admiral should:

- refund the £35.00 missed appointment fee with 8% simple interest; and
- refund the additional premium of £467.54 with 8% simple interest; and
- reinstate the telematics cover and deploy an installer to fix the issue with the telematics device.

Admiral provided further information including the applicable policy terms. The investigator changed his recommendation.

Our investigator recommended (in late July 2025) that the complaint should be upheld in part. He didn't think that Admiral treated Mr F unfairly by removing the telematics discount. He thought that Admiral shouldn't charge the missed appointment fee. He recommended that Admiral should:

- refund the £35.00 missed appointment fee with 8% simple interest.

Admiral accepted the investigator's second opinion.

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

- Admiral should've fixed the device.
- He was responsible for an honest oversight of the email.
- Admiral could've called or sent a letter by post.
- After 24 February 2025, he asked for an engineer appointment, but Admiral declined.
- £467.00 was a penalty.

Admiral provided further information on the issue of pricing.

Our investigator didn't recommend (in early September 2025) that the complaint about pricing should be upheld. He thought that Admiral had correctly calculated the price for the removal of the telematics discount and all of Admiral's customers in Mr F's position will have been charged a similar premium.

Mr F's father disagreed with the investigator's third opinion. He asked for an ombudsman to review the complaint. He added, in summary, the following:

- A clause in a contract which allows a company to price gouge does not mean that it is fair.
- If their telematics box had not been faulty none of this would have occurred.
- He and his son are being penalised.
- They made a genuine mistake but the punishment certainly did not fit the crime.

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.

In my view, it was clear that the telematics policy gave Mr F a lower premium in return for data about his driving. That required Admiral to provide a device that worked properly. It also required the policyholder not to interfere with the device and to cooperate if something went wrong with it.

So I don't consider it unfair that the policy terms allowed for the removal of the telematics discount if the policyholder failed to make an engineer's appointment within 14 days.

Admiral's letter dated 13 January 2025 included the following:

"It is important that you liaise with [installer] to identify the cause of the issue. If you fail to do so, we will remotely deactivate the box and you will lose your telematics discount meaning that an additional premium will be payable. This is part of the Terms and Conditions of the policy you have purchased."

Mr F received and acted on that letter. So I consider that he understood that if he didn't cooperate with the installer then Admiral's policy terms would allow it to deactivate the device, remove the telematics discount and charge an additional premium.

Mr F should've remembered that after the missed appointment. He should've been expecting further contact from Admiral to make another appointment. So I don't consider that Admiral ought to have done any more than to send its email dated 6 February 2025. That email included the following:

"Please contact the installation firm to arrange an appointment for an engineer to visit. It is important that you know this visit must take place within 14 days of this letter, before 20/02/2025 or we will remotely deactivate the box and you will lose your Telematics discount meaning that an additional premium will be payable. This is part of the Terms and Conditions of the Little Box policy you have purchased."

So I'm satisfied that Admiral had done enough to remind Mr F of the deadline for the appointment and of the consequences of missing it.

For those reasons I don't find that Admiral treated Mr F unfairly by removing the telematics discount.

For the same reasons, I don't consider that Admiral had to give Mr F a further opportunity to arrange an appointment.

Different insurers assess risk and set premiums in different ways at different times. The Financial Ombudsman Service doesn't generally make any judgments about that.

Admiral has sent us (in confidence as is allowed by the rules) business-sensitive information showing how it calculated the telematics discount or the additional premium. I'm satisfied that it calculated the figure of £467.54 correctly and in the same way that would've applied to any other policyholder in the same situation. So I don't find the figure unfair.

In any event, Mr F didn't have to pay the additional premium. He could've cancelled the policy and got a pro-rata refund.

Putting things right

As Admiral has agreed to refund the £35.00 fee (with interest), I will make that direction without further comment.

Otherwise, I don't find it fair and reasonable to direct Admiral to do any more in response to this complaint.

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:

1. refund Mr F the missed appointment fee of £35.00; and
2. pay Mr F simple interest on that amount at a yearly rate of 8% from the date he paid it to the date Admiral refunds it. If Admiral considers that it's required by HM Revenue & Customs to take off income tax from that interest, it should tell Mr F how much it's taken off. It should also give him a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F and Mr F to accept or reject my decision before 27 October 2025.

Christopher Gilbert

Ombudsman