

complaint

Mr and Mrs A have complained about Admiral Insurance Company Limited's handling of a third party's claim against under their motor policy.

background

I issued a provisional decision on 19 January 2015 where I was minded to uphold this complaint and require that Admiral paid Mr and Mrs A the sum of £150 compensation. Mr and Mrs A have accepted my provisional but Admiral did not.

Briefly Admiral was notified by a third party that Mr and Mrs A had been involved in an accident. The third party gave the registration number of Mr and Mrs A's car. Mr and Mrs A said their car had been parked outside their house all day and that they had not driven their car that day due to the weather. They had no knowledge of any accident happening that involved their car. Neither, did their car have the appropriate accident damage.

Admiral settled the third party's claim for their vehicle repairs but their personal injury claim was outstanding. Finally Admiral undertook a DLVA search and discovered that a very similar coloured car of the same make and model as Mr and Mrs A's car was registered to someone in the same area as Mr and Mrs A. I was minded to find that had the DLVA search been undertaken earlier it was likely that Admiral would have never had to have dealt with this third party's claim.

As it stood, Admiral was waiting for the third party's solicitors to redirect the personal injury claim to the correct insurer and therefore Mr and Mrs A had an open claim on their policy record. Mr and Mrs A had been distressed by the entire sequence of events and continued to be distressed due to the claim remaining open on their record. Admiral had ensured it did not affect their renewal premium but were still unable to close the claim. Therefore I was minded to require Admiral to pay Mr and Mrs A £150 compensation.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

It now transpires that the third party's solicitors have finally redirected the third party's personal injury claim to the correct insurer. Therefore Admiral has been able to close the claim on Mr and Mrs A's record. Consequently Admiral has said that it does not think it should have to pay Mr and Mrs A £150 compensation.

However in my provisional decision, I was minded to award that compensation to Mr and Mrs A on the basis that the appropriate initial investigation into this claim against Mr and Mrs A had not been done early enough in the process, which now left them with an open claim on their insurance record. I find that was that lack of investigation at the outset which caused Mr and Mrs A the distress they complained of.

Therefore I find that due to the initial lack of investigation, Mr and Mrs A were distressed and that it is fair and reasonable that they should be compensated.

my final decision

For the reasons above I uphold this complaint. I now require Admiral Insurance Company Limited to pay Mr and Mrs A the sum of £150 compensation for the distress caused by its initial lack of investigation.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs A to accept or reject my decision before 4 March 2015.

Rona Doyle
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