

## **The complaint**

Mrs N complains about how Admiral Insurance (Gibraltar) Limited ("Admiral") decided liability for a claim under her car insurance policy.

## **What happened**

Mrs N had a motor insurance policy with Admiral covering her car. In October 2021 her husband was involved in a collision with a third-party vehicle while driving the car. Although he was involved in the collision, for ease I'll refer to Mrs N throughout.

Mrs N made a claim from Admiral and told it a third party had collided with her car.

She says Admiral's claims handlers tried to persuade her to accept liability for the collision.

Mrs N instructed her own solicitor. She says Admiral told her solicitor that Mrs N's husband was at fault.

Admiral accepted Mrs N was at fault for the collision, which she didn't agree with.

Her premiums increased at renewal and she had one strike against her No Claims Discount (NCD).

She complained to Admiral. It didn't uphold her complaint and it said it had acted fairly.

Mrs N remained unhappy and brought her complaint to this service. She asks that the claim is removed from her records and the strike against her NCD is cancelled.

Our investigator looked into the complaint and didn't uphold it. She thought Admiral acted fairly when it investigated and handled the claim.

Mrs N didn't agree with the view and asked that her complaint was reviewed by an ombudsman, so it's been passed to me to make a final decision.

## **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.

We don't decide who is at fault for a collision, but investigate whether Admiral has acted fairly and reasonably and in line with its policy terms and conditions in handling Mrs N's claim in the way it did.

Having read the file of information I've been provided, I'm not upholding Mrs N's complaint and I'll explain why.

I can see that early on in the claim, Admiral were seeking to handle the claim on a non-fault basis, meaning that the other party would be found entirely at fault.

When Admiral approached the third party, this non-fault position was denied and Admiral and the third party adopted a 50/50 liability position.

Later in the claim, Admiral was sent a photograph showing the position of the vehicles involved in the aftermath of the collision. Admiral re-assessed the claim and decided that it was likely that Mrs N's position wasn't defensible in court. It agreed to settle the claim on a fault basis, 'without prejudice'. What this means is that if further evidence is received, it reserves the right to recover its costs from the third party.

Mrs N feels particularly strongly about Admiral's actions during the claim. She instructed her own solicitor and feels that Admiral effectively overruled the solicitor.

It's important that I say to Mrs N that Admiral has a responsibility to handle claims quickly in accordance with the portal set up by the government for handling motor claims.

It, rather than Mrs N's solicitor, handles the claim for damages and third-party losses through the portal. Mrs N's solicitor is for her to pursue damages should she wish to do so, for example her uninsured losses.

I can see from the file that this has been explained to Mrs N and that the final position taken by Admiral of 'without prejudice' also allows her to continue to take action against the third party if she wishes.

Admiral's policy wording contains the following section:

*"Defending or settling a claim*

*We are entitled to.*

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

This type of wording is common in the insurance marketplace and I think it's use is fair here.

It seems to me that Admiral's actions in investigating and defending the claim were fair and reasonable. Once it discovered the photograph showing the exact situation of the collision, it took the decision that Mrs N was likely going to be held responsible for the collision in court. So Admiral settled the claim as it was entitled to do under the terms of its policy.

Mrs N has also complained about the impact of the claim on her premium and NCD. I can see from the file that Mrs N's NCD was reduced as allowed under the terms of her policy.

Claims are just one of the factors insurers like Admiral use to assess risks and, when Mrs N's policy was due to renew, Admiral's system would assess those factors and provide her with a renewal premium. So the fact that Mrs N has been involved in a collision may have affected the premium, and the decision on liability would likely have also been a factor in the premium calculation.

Taking these into account, it's likely that Mrs N's premium would change at renewal because of the claim and many other factors. But it's not this service's role to involve ourselves in commercial decisions, like rating premiums, that are made by Admiral, so I can't uphold this aspect of Mrs N's complaint.

Admiral has reasonably recorded a claim under Mrs N's policy and I've said above that it has adjusted her NCD accordingly in line with the policy terms. So I'm not upholding this complaint.

**My final decision**

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 19 October 2023.

Richard Sowden  
**Ombudsman**