

## **The complaint**

Mr T complains that Admiral Insurance (Gibraltar) Limited reduced his No Claims Bonus (NCB) following a claim on his motor insurance policy which he says wasn't his fault. He wants it to restore his NCB.

## **What happened**

Mr T was involved in an accident with a motorcyclist, and he made a claim on his policy. Admiral said that due to the lack of evidence, the best possible outcome was a split liability settlement. This meant that a fault claim was recorded against Mr T and his NCB reduced.

Our Investigator didn't recommend that the complaint should be upheld. She thought Admiral was entitled by the policy's terms and conditions to settle a claim as it saw fit. She thought its decision that a split liability settlement was the best possible outcome was fair and reasonable. Admiral hadn't recovered its outlay, so she thought this meant Mr T would be held at fault. Mr T's NCB was unprotected, so she thought Admiral had fairly reduced his NCB as a consequence.

Mr T replied that he thought, based on the balance of probabilities, the learner motorcyclist doing deliveries was more likely to have caused the accident.

## **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.

I can understand that Mr T feels that he wasn't at fault for the accident. He's provided his version of events. He said he was turning right when the motorcyclist collided with his right front door. Mr T said he was driving correctly and thinks the motorcyclist was to blame. The motorcyclist said that Mr T turned across his path.

The Investigator has already explained that it isn't our role to decide who was responsible for causing the accident. This is the role of the courts. Instead, our role in complaints of this nature is simply to investigate how the insurer made the decision to settle the claim. Did it act fairly and reasonably and in line with the terms and conditions of the policy? And has it treated Mr T the same as someone else in his position.

Admiral is entitled under the terms and conditions of its policy with Mr T to take over, defend, or settle a claim as it sees fit. Mr T has to follow its advice in connection with the settlement of his claim, whether he agrees with the outcome or not. This is a common term in motor insurance policies, and I don't find it unusual.

Insurers are entitled to take a commercial decision about whether it is reasonable to contest a third party claim or better to compromise.

That said, we expect an insurer to reasonably investigate a claim and consider the evidence available before making its decision on liability.

The evidence that Admiral had to consider was the two driver's conflicting versions of events. It checked, but there was no CCTV or dashcam evidence or any independent

witnesses. It looked at the location online and reviewed a report from the attending police officer.

Admiral explained that a court would look unfavourably if it relied on the motorcyclist being a learner or a delivery driver. So it considered Mr T's responsibilities under the Highway Code and legal precedent. And it decided that the best possible outcome was a split liability decision as it couldn't prove in court that the other driver was fully at fault.

I think this was a reasonable decision for Admiral to make in the circumstances. And I think it was entitled to do this by the policy's terms and conditions after reasonably investigating the claim and fully considering the available evidence.

The result for Mr T was that he was held partially at fault. Mr T hadn't protected his NCB. And, in keeping with the policy's terms and conditions, this was affected by the fault claim. The maximum that Admiral allows for NCB is five years and this was stepped back two years by the fault claim. I'm satisfied that this was fair and reasonable, and I don't require Admiral to do anything further.

### **My final decision**

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 15 September 2023.

Phillip Berechree  
**Ombudsman**