

## **The complaint**

Mr S complains that Admiral Insurance (Gibraltar) Limited cancelled his motor insurance policy and placed a fraud marker on his record. He wants the cancellation and fraud markers removed.

## **What happened**

Mr S was involved in a collision with another driver when he braked and another driver ran into the back of his car. Mr S reported this to Admiral and his car was repaired. The other driver reported this to the police and Mr S said he accepted responsibility for unsafe driving to avoid attending court.

The other driver's insurer then sent this notice and dashcam footage to Admiral. Admiral said it was repudiating the claim as Mr S was driving recklessly. It said he had provided false information about the claim. And so it cancelled his policy and placed a fraud marker on the national database. Mr S was unhappy with this as he thought Admiral hadn't considered the full evidence. He thought he had provided correct and accurate information.

Our Investigator recommended that the complaint should be upheld in part. He thought Admiral had reasonably made its decision to decline the claim. But he thought Admiral hadn't sufficient evidence to show that Mr S had acted fraudulently and so it had unfairly recorded this and cancelled the policy. He thought it should remove the markers and also pay Mr S £150 compensation for his trouble and upset.

Mr S accepted the Investigator's view. But Admiral didn't reply and so the complaint has come to me for 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.

Mr S has provided an account of what happened at the time of the collision. He said he'd changed lanes on a roundabout and the other driver was upset by this as Mr S had pulled in front of him. Mr S said he then braked to indicate he was stopping and then stopped. He said he intended to speak with the other driver. But the other driver ran into the back of Mr S's car. Mr S said he had left sufficient stopping distance and time, but the other driver hadn't avoided a collision.

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 S the same as someone else in his position.

Admiral is entitled under the terms and conditions of its policy with Mr S to take over, defend, or settle a claim as it sees fit. Mr S 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 do not find it unusual.

The evidence that Admiral first had to consider was Mr S's version of events. Admiral firstly recorded the claim as non-fault. But it later decided to repudiate the claim as the dashcam footage provided by the other driver's insurer showed Mr S hadn't indicated when he pulled in front of the other car. It said he had then braked in front of the other car causing a collision.

Admiral interviewed Mr S about the circumstances. And it viewed his own dashcam footage. Admiral then declined the claim as Mr S had breached a number of terms and conditions that required him to take care of his car.

I can see that Mr S hasn't accepted that he caused the accident, though he regrets his actions at the time. But I think Admiral's decision about the claim was fair and reasonable after it had reasonably considering the evidence. And I think it's entitled to do this by the policy's terms and conditions.

Admiral thought Mr S had intentionally provided incorrect information about the claim and it cancelled the policy and recorded the fraud on a national database. But I've looked at Mr S's first report of the incident, his later accounts, his interview with the investigator, and his complaint to us. And I can't see that there have been any significant changes over this time. I also can't see that Admiral found any differences from his account in its viewing of the dashcam footage.

But I think there are differences in interpretations of the events leading up to the collision. Whilst Mr S thought the other driver was acting due to road rage, I think he made assumptions about the other driver's motivations. And whilst the other driver, and Admiral, may have thought that Mr S induced a collision, Mr S has consistently explained that he pulled in front of the other car and braked to allow a safe stop in order to talk to the other driver.

Our approach is that generally, for an act to be fraudulent the person doing it will be saying something that:

- They do not honestly believe is true, or they are reckless about whether it is true or not, and
- Is being said to make a personal gain for themselves (or another) person, or causing a loss or risk of loss to another.

I can't see evidence that Mr S didn't believe that what he'd told Admiral wasn't true. So I'm not satisfied that Admiral has provided sufficient evidence to warrant its decision that Mr S acted fraudulently in deceiving it about the accident. And so I think Admiral unfairly and unreasonably cancelled the policy and placed a fraud marker on Mr S's record. And I think it should now remove the cancellation and fraud markers.

This matter has caused Mr S trouble and upset. He said it has affected his ability to obtain insurance. Our Investigator recommended that Admiral should pay him £150 compensation for this. I think that's fair and reasonable as it's in keeping with our published guidance for the level of impact the error had.

### **Putting things right**

I require Admiral Insurance (Gibraltar) Limited to do the following:

1. Remove the cancellation and fraud markers from any internal and external databases where they have been recorded.
2. Pay Mr S £150 compensation for the distress and inconvenience caused by its unfair actions.

**My final decision**

For the reasons given above, my final decision is that I uphold this complaint in part. I require Admiral Insurance (Gibraltar) Limited to carry out the redress set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 30 January 2024.

Phillip Berechree  
**Ombudsman**