

The complaint

Mrs A is unhappy with the way Admiral Insurance (Gibraltar) Limited (“Admiral”) handled her request to add a temporary driver to her motor insurance policy.

What happened

The circumstances of this complaint are well known to both parties, so I’ll only summarise them here:

- On 5 December 2022 Mrs A contacted Admiral to enquire about adding her daughter to her motor policy.
- There was a discussion in which comparisons with adding the named driver for the remaining term of the policy (until March 2023) or on a temporary 30 day basis. Mrs A decided to add her daughter on a temporary basis for 30 days.
- Admiral say they explained the costs and that the additional premium would be collected over the remaining payment instalments.
- On 3 January 2023 Mrs A contacted Admiral to continue to insure her daughter under the policy.
- Admiral say they explained the costs of doing this on both a 30 day temporary basis and for the remaining term of the policy. And how the remaining instalments would be impacted.
- After some discussion, in which Mrs A expressed dissatisfaction with the costs, she requested a further 30 days temporary cover for her daughter.
- In February 2023 Mrs A contacted Admiral advising was unhappy with the monthly instalments, and she’d been overcharged for the second period of temporary cover, and she no longer needed cover for her daughter. She felt the monthly instalments should reduce to reflect the fact that her daughter was no longer covered by the policy.
- Admiral say its agents had explained the costs of temporarily adding her daughter would be spread over the remaining instalments and it had charged the correct premiums.
- Our investigator felt Admiral had acted fairly. He was satisfied Admiral had explained the cost of adding her daughter and made it clear the cost would be spread over the remaining monthly instalments.
- Mrs A remained unhappy and asked that an ombudsman decide her case.

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.

Having done so I’ve reached the same outcome as our investigator, and for the same reasons.

I've listened to the call made on 5 December 2022 and the call handler gives very clear explanation of the options available and the cost of adding Mrs A's daughter. And, importantly, that the costs would be spread over the remaining 3 instalments.

I've also listened to both calls on the 3 January 2023. In the first call Mrs A's daughter calls Admiral herself. When the call handler realised she wasn't the policyholder he requested to speak with Mrs A who then took over the call. There were some line issues during this call and Admiral called Mrs A back to continue the discussion.

During the calls on 3 January Mrs A expressed her shock at the costs, describing it as a "rip off" and that the cost for a second 30 day period of temporary cover was significantly more than it had been for the initial period in December. In her submissions Mrs A says she refused to continue but Admiral went ahead and charged her. However, having listened to the call I'm satisfied she requested Admiral add her daughter to the policy for a further 30 days.

Having listened to the call I find the cost for the second 30 day period is similar to the cost of the initial period of temporary cover for her daughter. However, there is a significant difference in the monthly instalments. The cost for the initial temporary cover for her daughter is spread over 3 instalments i.e. December, January and February. The costs for the second period of cover are only spread over 2 instalments i.e. January and February. And the January and February instalments include a proportion of the costs for the December cover as well as the cover arranged in January.

I'm not persuaded Admiral has done anything wrong and find it acted fairly and reasonably in its dealings with Mrs A.

My final decision

For the reasons above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 4 September 2023.

Martyn Tomkins
Ombudsman