

## **The complaint**

Mr W complains about how his insurer, Admiral Insurance (Gibraltar) Limited (Admiral), handled a claim under his motor insurance policy, following a collision with another vehicle.

Any reference to Admiral in this decision includes their agents.

This decision covers Admiral's handling of the claim following the collision. It doesn't cover the subsequent renewal of Mr W's policy and the premium charged by Admiral at renewal.

## **What happened**

This is a complex case involving multiple elements of complaint by Mr W, both to Admiral and to this service. And several responses from Admiral to Mr W's complaints. As the sequence of events is known, the following is a summary of what happened.

In December 2022 Mr W was involved in a collision on a roundabout with a third-party vehicle. The third party declined to provide their details as they said they weren't at fault for the collision (Mr W held the third party to be at fault). Mr W called the police, but the third party had left by the time they arrived. Mr W contacted Admiral to tell them about the collision and lodge a claim.

Admiral considered the circumstances of the collision (the third party was also insured with them) including the version of events provided by both parties. However there were delays in Admiral requesting available CCTV evidence from the local council and other issues in the way Admiral dealt with the claim and the time taken assessing the claim.

So, Mr W complained to Admiral, on multiple points (February 2023) including: the delay requesting CCTV footage; not receiving call backs when promised; being given conflicting information; Admiral not cross examining the third party's (inaccurate) version of events; Admiral not properly contesting liability; and agreeing a 50/50 split of liability for the collision.

In their first final response (March 2023) Admiral upheld most of the points, apologising for any inconvenience. They accepted they hadn't pursued the request for CCTV footage on a timely basis but didn't accept this was deliberate. They accepted Mr W didn't receive call backs as promised and hadn't pursued Mr M telling them (when notifying the collision) he had evidence. On the split of liability, Admiral accepted review of the circumstances meant they could have probed the decision and not agreed a 50/50 split, as the third party had misunderstood Mr M's intentions when entering the roundabout. Admiral said they'd re-open the question of liability. In recognition of the errors they'd made, Admiral awarded £150 compensation for trouble caused; and a further £75 for upset (a total of £225).

However, shortly after issuing their final response, Admiral contacted Mr W to say the third party had provided further information and description of the collision. This led them to say they wouldn't be changing their decision to assign a 50/50 split of liability.

Mr W raised a further complaint to Admiral, unhappy at their changing their position on liability, as well as the third party changing their version of events and other issues.

Admiral issued a second final response (May 2023). They upheld some of the points, including not calling him back when indicated; not following up on a report from the police; Mr W not receiving the compensation previously awarded; and not considering what Mr W thought were discrepancies in the third party's version of events. Admiral awarded a further £150 compensation for distress and inconvenience. But they didn't uphold the other points and confirmed they wouldn't be revising their decision to split liability 50/50.

Mr W challenged Admiral's the response. Admiral issued a third final response (May 2023) in which they changed their decision on liability to a non-fault by Mr W. They also amended his no claims discount (NCD) and, as a result, refunded part of his premium (the policy renewed in April 2023). They also awarded a further £200 compensation (making a total of £575).

Mr W initially raised his complaint to this service in February 2023, before Admiral issued their first final response. Having received the first final response and then saying they weren't going to change their decision on a 50/50 split of liability, Mr W confirmed his complaint to this service. He felt unfairly pushed into accepting a split liability, so his insurance record would reflect a fault claim. This would increase the cost of his insurance and incur costs for the repairs to his vehicle. The incident had caused him significant alarm and distress. While Admiral accepted failings on their part, Mr W didn't think their resolution was adequate, nor reflect the likely financial consequences for him.

Mr W raised further points following Admiral's second and third final responses. He didn't think the [increased] compensation sufficient, given the time taken by Admiral to decide the claim was non-fault and the time and effort he'd spent persuading Admiral it was non-fault. And there was the stress he'd suffered from what had happened.

Our investigator considered the complaint (including Admiral's final responses and the decisions they'd reached on liability and compensation). He didn't uphold the complaint, concluding Admiral had resolved the main element of Mr W's complaint (liability for the collision) by recording the claim as non-fault and reinstating his NCD. He also thought the compensation awarded by Admiral was fair (and in line with the approach of this service).

Mr W disagreed with the investigator's view and requested an ombudsman review the complaint. He didn't think the compensation awarded by Admiral was adequate, given the time and effort he'd had to spend raising his concerns with Admiral. Given the number and extent of the concerns, he thought compensation should be in a higher category (using the information published by this service).

Nor did he think Admiral (or our investigator) had considered some of the concerns he'd raised. The liability issue wasn't the sole cause of the distress he'd suffered, given the way Admiral had handled the claim and the question of liability (reaching multiple decisions at different times). Nor had the impact of what had happened on his insurance premium been considered (his renewal premium substantially increased compared to the previous year, significantly more than the refund he'd received on reinstatement of his NCD). He was also concerned the apparent settlement cost of the claim (included in an email from Admiral about the refund of his premium) was substantially less than the increase in his premium.

### **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.

My role here is to decide whether Admiral has acted fairly towards Mr W.

I'd first want to say I've considered all the points raised by Mr W in his complaints to Admiral, as well as his complaint to this service. While I haven't listed each point individually in the

decision, I have taken account of all of them, together with Admiral's responses. I've concentrated on what I think are the key issues.

First, the question of liability. Second, linked to that, the way Admiral handled the claim, including the issue of liability, in coming (eventually) to their decision to hold Mr W's claim to be non-fault. Third, the way Admiral communicated and responded to Mr W during the process. And finally, the issue of compensation for the stress, distress and inconvenience suffered by Mr W.

On the first issue, I've considered the detailed timeline of events. Admiral initially held the claim to be split 50:50 between Mr W and the third party, based on their respective versions of the collision. Determining liability for a claim is what I'd expect Admiral to do, based on the description of what happened from the parties involved. And the policy terms and conditions provide for Admiral to do so. In this case, Mr W believes strongly he wasn't at fault for the collision and that it was the fault of the third party. So, I understand why he challenged Admiral's initial decision to split liability 50:50 between him and the third party.

Admiral, in their first final response to Mr W's complaint, said they'd look again at the decision in the light of their review of the case as part of considering Mr W's complaint. However, they then said they were maintaining their decision. And they maintained that position in the second final response, only to reverse it and decide the claim was non-fault on the part of Mr W.

It's not my role to determine liability in claim situations. Or whether individuals (in this case the third party) have acted inappropriately (or fraudulently) as Mr W believes. While it isn't unreasonable for decisions on liability to change following reconsideration of the circumstances and/or new or revised evidence (including from the parties), I don't think Admiral acted fairly and reasonably towards Mr W through their multiple changes of position. And looking at the overall sequence of events, including the challenges made by Mr W about what happened and the third party's version of events, I've concluded Admiral could have arrived at their final decision (to hold Mr W not at fault) sooner than they did.

Mr W also says he doesn't think Admiral challenged the third-party version of events as robustly as they would, had they not also been the insurer of the third party. However, from the evidence and information available, I haven't seen anything that shows this is the case. And while their multiple changes of position will have caused frustration, inconvenience and distress to Mr W, they have ultimately held him not to be at fault for the collision.

Given my conclusions and what Mr W has told us about the impact of the way liability was determined, as I've said, I think he has suffered significant distress and inconvenience from what's happened, including the time and effort he's spent pursuing his case with Admiral. I'll consider what I think Admiral should do to put things right when considering the question of compensation for distress and inconvenience.

One of the issues related to the question of liability raised by Mr W concerns delays in Admiral requesting (from the local council) CCTV footage that may have recorded the collision. Mr W says he observed a council CCTV camera covering the scene of the collision. And that he had contact with Admiral and was initially told a request had been made, but then it hadn't been when he was told it had. Which indicates (along with Admiral's response to this point in Mr W's complaint) there was a delay in requesting CCTV footage.

Looking at the correspondence, there's a letter from Admiral to the council requesting this in January 2023 (and a second request in February 2023). There's a response from the council (February 2023) saying the department responsible for CCTV has confirmed they do not have any CCTV *coverage* (my emphasis) in the area where the incident took place. Use of

the term 'coverage' – rather than 'footage' – might indicate there wouldn't be footage available (as there was no coverage). The council also state they only store footage for 30 days. These points suggest CCTV footage wouldn't have been available, even allowing for the 30-day retention period. That being the case, I can't see it wouldn't have affected the process (and decision) about liability.

On the second issue, the way Admiral handled the claim, the sequence of events shows it took six months from the date of the collision for Admiral to decide Mr W wasn't at fault for the collision (having initially decided liability should be split 50:50). It's also clear Admiral accept there were failings in the way they handled the claim from their upholding most of the individual points of complaint raised by Mr W. And Admiral accept there were delays in requesting CCTV footage (notwithstanding the point above about the availability of any footage). And information (including photographs and video) provided by Mr W had to be re-sent on several occasions.

Taking all the points together, including the detailed information and evidence provided by Mr W, I've concluded Admiral didn't handle the claim in the way they should, and which Mr W could have expected. I've consider the impact of this when thinking about compensation.

The third issue, following on and linked to the first and second issues, is the way Admiral communicated with Mr W during the claims process. From the information and evidence available, it's clear Mr W has spent a considerable amount of time communicating with Admiral about the claim. This includes a significant volume of email and written communication, as well as time spent on calls with Admiral (Mr W had provided a listing of the calls made, including their duration from his phone records). It's clear (and accepted) he wasn't always called back when indicated he would be and that he had to deal with numerous teams and individuals at Admiral dealing with the claim. Admiral have accepted their service wasn't as good as it should have been, and I agree Mr W has spent a lot of time and effort pursuing his concerns about the handling of his claim with Admiral.

This will have had a significant impact on Mr W, in terms of stress and inconvenience. I've considered carefully what he's said about the impact on him (including the Impact Statement he's provided as part of his complaint).

Having reached these conclusions, I've thought about what a fair and reasonable amount of compensation would be. I've taken account of the other key issues in the complaint, as set out above and the impact on Mr W (including what he has described in bringing his complaint). I can understand why he feels he should receive substantial compensation for this. Our approach as a service in these situations is to consider what is fair and reasonable compensation for the distress and inconvenience a business has caused to a consumer from their actions, where we don't think they've acted fairly and reasonably.

Looking at the circumstances of this case, I think Mr W has experienced considerable distress, upset and worry as well as significant inconvenience and disruption. He's had to expend a lot of extra time and effort (over and above that which would have been inherently necessary in dealing with a claim, regardless of the circumstances). And this has taken, from the date of the collision through to Admiral's final response where they've accepted Mr W wasn't at fault, some five months.

I've also considered the points made by Mr W when responding to our investigator's view about the impact of what's happened on his policy premium. However, as I've set out above, this decision doesn't cover the issue of the increased premium Mr W was quoted at the policy renewal in April 2023. It would be for Mr W to make a separate complaint about the premium and for Admiral to respond. And for Mr W to raise a complaint with this service were he to be unhappy with any such response. This would also apply to the point Mr W

makes about the cost of the claim (compared to the increase in his premium) in the email from Admiral.

Coming back to the question of compensation, Admiral have awarded a total of £575 in compensation, as part of their final responses. Having regard to the circumstances of the case and the impact as I've set out above, I've concluded £575 is fair and reasonable compensation for the distress and inconvenience to Mr W.

### **My final decision**

For the reasons set out above, my final decision is that I require Admiral Insurance (Gibraltar) Limited to:

- Pay Mr W £575 in compensation for distress and inconvenience (if they haven't already paid it, taking account of any compensation they may already have paid).

Admiral Insurance (Gibraltar) Limited must pay the compensation within 28 days of the date on which we tell them Mr W accepts my final decision. If they pay later than this they must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 16 October 2023.

Paul King  
**Ombudsman**