

## The complaint

Ms W complains that Admiral Insurance (Gibraltar) Limited (Admiral) unfairly increased her premium after withdrawing a claim she'd made under her home buildings insurance policy.

## What happened

Damage was caused to Ms W's home in June 2023 when an appliance was delivered. She arranged for some of the repairs herself. Then later decided to make a claim to Admiral in September. Ms W says Admiral told her there would be no financial impact from claiming. This is why she says she continued with the claim. After the damage was inspected, the cost of the claim was thought to be less than Ms W's policy excess. So, the claim was withdrawn.

Ms W was charged an additional £42.98 for her renewal premium as a result of the claim. She doesn't think this is fair and doesn't think a record of the claim should be kept.

In its final complaint response Admiral apologised that it failed to arrange a call back. It paid Ms W £50 compensation for this. But it says having listened to the call when she made her claim, there was no mention of premiums. Admiral says it records all incidents it is made aware of, including those where a claim is not pursued.

In its letter Admiral says it assessed Ms W's risk according to the information it had. It didn't agree to remove the additional premium charge it had applied.

Ms W didn't think she'd been treated fairly and referred the matter to our service. Our investigator upheld her complaint. Initially she said Admiral hadn't done enough to show it had applied a 'late claim fee' correctly. She thought the business should refund £42.98 to Ms W and ensure any record of the claim was removed.

Our investigator changed her mind when Admiral provided further information. She says it has now shown that it calculated Ms W's premium according to its underwriting processes. So, it needn't refund the £42.98 fee. But she maintained her view that Admiral should remove all records of the claim.

Ms W didn't think this she'd been treated fairly and asked for an ombudsman to consider her complaint.

It has been passed to me to decide.

I issued a provisional decision in February 2024 explaining that I was intending to not uphold Ms W's complaint. Here's what I said:

### *provisional findings*

*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 my intention is to not uphold Ms W's complaint. I'm sorry to disappoint her*

*but I'll explain why I think my decision is fair.*

*I've listened to the call when Ms W first contacted Admiral about her claim. This was on 17 September 2023. The call lasts just over 28 minutes. Ms W explains to Admiral's agent how the damage to her home occurred. The policy excess was mentioned as was the potential cost of the repairs. Admiral's agent explained that if Ms W wanted to withdraw the claim, this was something she could do. Ms W told the agent that if there was no charge for someone coming out to assess the damage then, "I don't mind".*

*Having listened to the call in full, there was no discussion around Ms W's premium being affected by the claim. Admiral's agent doesn't say that there would be no financial implication from claiming.*

*Based on this evidence I don't think Ms W was misled. Or that she was provided with inaccurate information that prevented her from making an informed decision as to whether to continue with her claim. In any case by this point Ms W had told Admiral about the incident when damage was caused to her home.*

*Under the heading "General conditions" Ms W's terms and conditions booklet says:*

*"If you or your family are involved in any type of claim or loss, you must: tell us about the matter as soon as possible".*

*This means it was a requirement of Ms W's policy to inform Admiral about the damage caused to her home.*

*Admiral says in its complaint response that it will record details of all incidents that it's made aware of. This includes incidents where a claim isn't pursued. I don't think this approach is unreasonable or unusual for the insurance industry. This information is used by insurers to assess the risk posed by a customer. Any records Admiral retains or shares with industry databases must be accurate. But I have no reason to believe that information it has recorded about this incident is inaccurate. So, I don't agree with our investigator that there is reason to require the business to amend or remove any records it made.*

*I've thought about whether Admiral treated Ms W fairly when it calculated her renewal premium. Admiral has supplied the underwriting criteria it used. This is considered commercially sensitive, so I can't share it. But I'm satisfied from this that the business applied its criteria as it would for any other customer. So, Ms W hasn't been treated any differently, which is what I'd expect to see.*

*I understand that Ms W isn't happy that she was charged more in her renewal premium as a result of the incident that occurred in June 2023. But the Financial Conduct Authority (FCA) doesn't regulate on the price insurers charge for their services. So, I'm not able to consider how Admiral assesses risk and calculates its premiums. I can only look at whether it has followed its established underwriting rules when doing so. I'm satisfied it did this correctly.*

*Admiral acknowledges that it failed to arrange a call back as promised. I think it's fair that it apologised and paid £50 compensation for this. But having considered the evidence I don't think it treated Ms W unfairly when factoring the June 2023 incident into its renewal premium. So, I can't reasonably ask it to do anymore.*

*I said I was intending to not uphold Ms W's complaint.*

*I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.*

Admiral didn't respond with any further information or comments for me to consider.

Ms W responded to say she disagrees with my provisional findings. She says this places her in a worse position than following our investigator's response.

Ms W says that regardless of whether the word premium was mentioned she specifically asked if there would be a financial implication. She says it's unlikely that a customer will remember the small print 12 months after taking a policy. She says Admiral could've reminded her there could be a financial implication.

In her response Ms W says that she didn't cause the damage. It was caused by an external company. Yet she is being penalised for this. She says she rectified the damage as much as she could. But has been caused additional distress by involving her insurer.

Ms W says she doesn't want this decision to be published on our website, as it isn't impartial.

### **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'm not persuaded that a change to my provisional findings is warranted.

I acknowledge Ms W's comments about our investigator reaching a different outcome. However, our service offers a two-stage process. The second stage is where an ombudsman considers all the evidence afresh. Ms W asked for her case to be considered by an ombudsman. This is what I did. I'm not obligated to agree with our investigator's findings.

I've listened to the call when Ms W says she asked about financial implications. I didn't hear this mentioned. But this is essentially a moot point. In my provisional decision I explained that Admiral will keep a record of any incident that is brought to its attention. Ms W contacted the business and told it about the damage that had been caused and Admiral made a record of this. I don't think it's unreasonable or unusual for an insurer to keep a record of such incidents. This information is used to assess the risk a customer presents.

I acknowledge Ms W's comments about the publication of her decision. However, under the Financial Conduct Authority dispute resolution or DISP rules, we're required to publish all of our final decisions. As Ms W is aware all decisions are redacted to ensure no individual can be identified.

I'm sorry Ms W is disappointed. I think it's fair Admiral paid her £50 compensation for a failed call back. But having considered the evidence and her further comments, other than this customer service shortfall, I don't think it did anything wrong. So, I can't fairly ask it to do anymore.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 11 April 2024.

Mike Waldron  
**Ombudsman**