

The complaint

Mr S complains about how Admiral Insurance (Gibraltar) Limited (“Admiral”) changed the pricing of his car insurance policies at renewal, following a non-fault claim being made on one of them.

What happened

Mr S had three car insurance policies with Admiral.

He made a claim on one of the policies in December 2022 when a third party drove into his parked car. The third party accepted liability.

Mr S reported the claim to Admiral. He asked whether it would affect his No Claims Discount (NCD) and also whether it would impact his premiums.

Admiral’s call handler told him it would not.

Admiral sent his renewal documents October 2023 showing an increase in premium across all three policies. Mr S called Admiral and it confirmed this was due to the claim.

Mr S complained. He says he was passed between various departments and he says Admiral didn’t call him back when it said it would.

Admiral offered him £150 compensation for its misinformation, lack of communication and call backs not being actioned. It also said it would provide feedback internally about the problems it’d caused.

Mr S remained unhappy and brought his complaint to this service. He asks that Admiral to remove the incident from his policy and that his premiums are made “reasonable” again because he was told they wouldn’t be affected.

Our investigator looked into it and thought it wouldn’t be upheld. He thought Admiral had made an error but its offer of £150 compensation was fair.

Mr S didn’t agree with the view and asked that his complaint was reviewed by an ombudsman, so it’s been referred to me to make 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.

I’m not upholding this complaint and I’ll explain why.

I’d like to reassure Mr S that I’ve read the entire file. I won’t comment on all of it here, instead I’ll focus on what I think are the main points of his complaint. This is in line with the informal nature of our approach.

I can see from the file that Admiral agrees its service wasn't very good at times during his claim and subsequent complaint.

The incident was recorded on his policy as 'non-fault', this means that Mr S's NCD would be unaffected, which he was correctly told about by Admiral. But, importantly, what this means is that the discount that applies to his premiums was unchanged. The underlying premiums themselves can, and did, change due to the incident as the driver details were being shared across the three policies.

When Mr S asked about this, Admiral's call handler did give him the wrong information. I can appreciate how disappointing it must have been for Mr S to have received his renewal invitation several months later showing him that his premium had actually increased and I don't think this is very good service of Admiral.

Then, when Mr S complained about this incorrect information, Admiral didn't call him back when it said it would.

Admiral provided this service with its premium calculation methodology for Mr S's three cars. I'm not able to share this information with Mr S as it's commercially sensitive. I can see that Mr S paid more in 2023 than he did in 2022, despite him adjusting the cover to meet his requirements. I'd also point out to Mr S that there are factors other than just the claim that might mean his premiums had changed between 2022-23.

I can also see Mr S asks that Admiral reduce his premiums to their previous level. Unfortunately, this isn't something I'm able to do. Admiral sets its own pricing and the process it follows to do this isn't something I can ask it to change. Mr S was given some poor information by Admiral about his future premiums, but the application of those premiums was correctly done by Admiral at renewal from the information I have.

What this means is I'm not going to ask Admiral to change the premiums it's charged Mr S, but I can consider his distress and inconvenience caused by its poor service.

From the file I can see it gave Mr S the wrong information about his premium when he asked, then it handled his enquiries poorly and didn't call him back when it agreed. Mr S has said about the time it's taken him out of his day to deal with the calls.

I can see this inconvenienced Mr S. Admiral paid him £150 for his inconvenience. I've thought about this and compared it with this service's guidelines, and I think the amount it paid him is fair, so I'm not going to ask it to do more.

My final decision

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 13 June 2024.

Richard Sowden
Ombudsman