

The complaint

Miss M complains that Admiral Insurance Company Limited have provided poor customer service when dealing with her claim.

What happened

Miss M held a motor policy with Admiral on which her parents were both named drivers.

In September 2022 Miss M's car was damaged in an accident with a lorry and the third party was held liable. This was a serious accident and Miss M has been severely impacted by this.

Miss M's car was deemed a total loss on 28 September 2022 and Admiral paid settlement for the car on 5 October 2022.

However, Miss M has subsequently raised complaints about poor service, delays, and significant distress and inconvenience arising from the poor service since the accident.

In Admirals' last final response letter dated 11 October 2023 they reviewed all of the complaint points raised since 28 February 2023 and offered a total of £325 compensation for the distress and inconvenience caused overall.

Miss M wasn't happy with this outcome and so she brought her complaint to us.

One of our investigators looked into Miss M's complaint and she recommended that Admiral pay a total of £625 as compensation for distress and inconvenience.

After a further exchange with Admiral they agreed to this, but Miss M thought that this was insufficient to recognise the distress and inconvenience she had experienced and so the case has come to me to review.

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 can understand that the circumstances of the accident will have been extremely distressing for Miss M and her parents, and the psychological impact from this is an ongoing issue.

Whilst I can't take this into account in looking at Miss M's complaint, I can look at any additional impact caused by the service failings of Admiral.

I'm pleased to see that the settlement for the car was paid promptly but agree that there were miscommunications and missed opportunities to support and manage Miss M's expectations regarding her claim and uninsured losses in the months that followed, and this has clearly added to her distress, and made it difficult for her to move forward.

Admiral have already accepted that the service they provided had fallen below the standard that Miss M should have received.

So I've considered whether the recommendation of £625, which Admiral have agreed to pay, is fair and reasonable in all the circumstances for the additional distress and inconvenience experienced, and I think it is. I will explain why.

Distress and inconvenience caused by the delays and poor service

Initially Admiral were unable to ascertain who was the owner and insurer of the third party vehicle because they were trying to trace it using an incorrect registration number provided when the claim was made.

In November 2023 Admiral requested the police report to try and identify the third party vehicle. This was a significant delay from when the accident took place, and it doesn't appear that Admiral followed up on this either.

By February no progress had been made despite several calls and complaints made by Miss M and her parents, but during an investigation of the complaints on 17 February 2023 Admiral were able to progress matters as the case handler identified that the request had been sent to the wrong police force, and also managed to identify the third party vehicle and insurer and obtain an admission of liability. As a result, they no longer needed the police report, and things could progress.

I think this aspect of the service could have been handled better and much quicker. I'm not sure why no one went back to Miss M to check the third party vehicle details, or why they didn't chase the police report, but it seems to me that this 5 month delay is at the root of some of the frustrations experienced by Miss M, and whilst I can appreciate that she had received the settlement for her vehicle, it delayed matters being passed to Admiral Law for the uninsured loss recovery and for any personal injury claim to be dealt with. It is this kind of inactivity that reduces a consumer's confidence in the insurer and can cause an impact because it compounds the stress already caused by the accident.

The incorrect registration

I can see that Miss M and her mum feel that Admiral are blaming them for the delay as the registration number originally provided by them was incorrect.

Having reviewed the communication I don't think Admiral were blaming anyone there, just trying to explain why some of the delay occurred – and an incorrect registration was provided albeit unwittingly.

But as I have said above, I think that regardless of the incorrect registration, Admiral could have done more to identify the third party vehicle sooner – and so I'm satisfied that the responsibility for delay lies with them.

Communication

Miss M has made several complaints about communication – in relation to both its content and frequency. She feels that when Admiral advised her about having recovered their own losses on 4 April 2023 it was “rubbing salt in her wounds” because she was still out pocket for her uninsured losses (excess) when they had recovered theirs.

Admiral has a responsibility to update their customers about progress, and this is significant step in the progress of the claim, and so I can't say Admiral have acted unfairly here. There is also nothing in the tone of the communication that is inappropriate. In cases like this, where liability is accepted, the recovery of the insurer's losses will often happen first, but the recovery of any uninsured losses is not part of their remit and has to be handled by the solicitors along with any personal injury – so it can take longer to settle.

Miss M had also complained that she received inaccurate information about her uninsured losses from Admiral. I think that Admiral did try and explain how uninsured losses work, but it wasn't made clear that this isn't guaranteed, and so the communication here could have been better.

In terms of the frequency of communication, Miss M and her parents have all contacted Admiral for updates throughout the claim. I can see that some of the time Admiral did respond and left voicemails and messages, but I can also see that there were occasions when call backs were missed, and this added to the anxiety that Miss M was feeling about the claim and its progress. Admiral have accepted that they have fallen short here.

Miss M also asked for specific responses from some named executives, and says these requests weren't complied within a reasonable timeframe. She was also unhappy with the complaint outcome and felt a thorough investigation hadn't been completed.

As this aspect of the complaint is about how Miss M's complaint had been handled by Admiral, I am unable to comment, as complaints handling isn't a regulated activity, and is outside the scope of what I can consider. I have, however, considered all of the other communication and agree that in the main it has fallen short of the service Miss M should have experienced.

The police report

Miss M feels that Admiral should have continued to try and obtain the police report.

As I have explained above, the police report was to assist in identifying the correct third party vehicle, and once this had been done by other means in February 2023, and there was an admission of liability, we wouldn't expect Admiral to continue with this as it was no longer needed.

I have addressed the delays relating to this aspect of the complaint above.

Having reviewed all the information and evidence on the file I think that the overall service Miss M has experienced has been poor in terms of the delay and the communication.

I understand that Miss M has been through a very traumatic accident and when that happens, we expect an insurer to step in and sort everything out without having to chase them, and without the inconvenience that she has experienced here. However, as I said at the start, I can't take into account any trauma from the accident itself, and I can see that the initial settlement for the car was sorted out quickly, enabling Miss M to purchase another car if she wished.

So the outstanding issues related to the uninsured losses (excess) and any personal injury claim. As these are issues that have to be dealt with by Admiral's solicitors, they can and

often do take many months in any event, but hopefully with the admission of liability it will be a fairly swift resolution.

Whilst I appreciate that Miss M thinks she should have a significantly higher award for the distress and inconvenience caused, I am satisfied that £625 is fair given what I have said above and taking into account the range of compensation that we consider to be fair for distress and inconvenience lasting over a few months.

I haven't included the £100 already paid for complaints handling errors in this – as this is outside my remit.

Putting things right

To put things right, Admiral should

- Pay Miss M a total of £625 for the trouble and upset caused by the poor service, deducting any sums already paid.

My final decision

My decision is that I am upholding Miss M's complaint about Admiral Insurance Limited and directing them to put things right as above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 12 September 2024.

Joanne Ward
Ombudsman