

## The complaint

Mr C has complained about the way his motor insurer, Admiral Insurance (Gibraltar) Limited ('Admiral') dealt with a claim on his policy.

## What happened

In January 2024 Mr C was involved in an accident where he collided with the back of another car. Mr C said that the accident happened at very low speed and that his car wasn't damaged. He added that the other car had pre-existing damage to its bumper and a dent on the boot which the driver told him was from a previous incident.

Mr C reported the incident to Admiral and mentioned the pre-existing damage to the third-party car. Admiral said it would arrange an independent inspection for both vehicles.

Mr C said that over the months that followed the accident he was checking the progress of the claim online and there were no changes, so he assumed that there was no damage to the other car. Nevertheless, when he checked again in June 2024, he saw that the third party claim was settled for £3,471 after their car was declared a total loss.

Mr C complained to Admiral and said that the matter hadn't been investigated properly and that he hadn't been kept up to date. He also complained that Admiral failed to inspect both cars and was unhappy about the total loss settlement to the third party.

Admiral upheld Mr C's complaint in part and offered him £100 compensation. It agreed that it hadn't kept him up to date or instructed an engineer to carry out the inspections. But it said that its investigation was fair and adequate and that the settlement to the other party wasn't unreasonable. It added that if the matter had proceeded to litigation the potential costs would have been higher.

Mr C then brought his complaint to our organisation. He said he was concerned that the other party claimed for damage to their car which wasn't accident related.

Mr C said he had made a data subject access request (DSAR) for all the information Admiral had relating to the claim, but he didn't believe all the information was disclosed to him due to data protection concerns, including the engineer's report for the third-party car. He said he wanted Admiral to reinvestigate the incident and remove it from his record. He said he wanted to be compensated for Admiral's poor handling and customer service and thought Admiral should train its staff when it comes to data protection laws and share the information he had requested.

Before the matter was considered by one of our investigators, Admiral increased its compensation offer to £300 in total for its poor customer service. In relation to Mr C's other complaints, it said it wasn't able to remove the claim from its record as it had been settled. It also said it couldn't disclose documents relating to the third party due to data protection.

One of our investigators then reviewed the complaint and thought that Admiral's £300 offer was fair and reasonable. She also thought it was fair and reasonable for Admiral to rely on the engineer's report in settling the third-party claim.

Mr C didn't agree and asked for an ombudsman's decision. He said that his car should have been inspected and the damage compared to the other car and he also didn't think Admiral had followed its claims procedure correctly. He also didn't consider that the engineer's report of the third-party car included personal information and so it should have been shared with him.

The matter was then passed to me to decide.

### **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.

Under the terms and conditions of the policy Admiral is entitled to conduct an investigation, defence and settlement of any claim on behalf of its insured. This is a fairly common term in motor insurance policies and not one we consider to be unfair or unreasonable and it enables insurers to have control over claim costs among other things. So, I think Admiral can rely on this condition.

I can see that when Mr C reported the claim to Admiral he raised concerns about the damage to the third-party car and that this was noted by Admiral. Though it initially said it would instruct an engineer to inspect Mr C's car this didn't happen, presumably because Mr C wasn't claiming as his car wasn't damaged. Admiral accepts this was an error on its behalf. I agree that it let Mr C down because it had initially said that such an inspection would be arranged. And I can see why this would cause distress to Mr C, bearing in mind that he had raised concerns about pre-existing damage and the impact being at low speed from the start. So I don't think Admiral's actions here were fair or reasonable.

Nevertheless, I don't think this necessarily means that Admiral was acting unfairly or unreasonably in settling the third-party claim. The third-party car was inspected by an engineer who said that it was a total loss. My understanding is that someone who is an expert in this area, such as an engineer, would have been able to distinguish between damage which was pre-existing and damage which was accident-related. The engineer's view was that the car was a total loss as a result of the accident. As far as I am aware, this is the only expert opinion on this matter and I think it was fair and reasonable for Admiral to rely on it.

Admiral said that the third-party car was deemed a total loss due to its age and also that damage could be underlying and not immediately visible. It also said that the engineer who

inspected the third-party car would have been able to identify pre-existing damage. I don't think that what Admiral said was unreasonable.

Overall, I appreciate that this is a very frustrating situation for Mr C but for the reasons I gave above, I don't think Admiral acted unreasonably in settling the third party claim the way it did.

I appreciate Mr C would like for the claim to be removed from his record and is concerned about the impact it will have on future premiums. I appreciate Mr C's concerns, nevertheless, this is an incident that has taken place and which he was involved in and which he agreed he was at fault for. Under the circumstances I think this is something he rightly reported to his insurers, and I don't think it would be fair or reasonable for me to ask Admiral to remove it from its records.

Mr C made a DSAR and asked for documents relating to the claim, particularly the engineer's report in relation to the third-party vehicle. Admiral refused to provide this citing data protection laws. I should explain that it's not the role of our service to decide whether or not a business has breached data protection laws- that's the role of the Information Commissioner's Office (ICO). My role is to consider whether Admiral acted fairly and reasonably in responding to Mr C's DSAR request. And as far as I'm aware Mr C is not unhappy with issues such as the time it took Admiral to respond but about the information it provided. I'm afraid it isn't the role of this service to comment on the content of a DSAR so if Mr C is unhappy with the information provided he should contact the ICO.

Admiral accepts that the service it provided to Mr C was poor. From what I have seen and as I mentioned above, it let Mr C down in not arranging an inspection of his car despite saying it would. And it failed to keep him informed- I can see there was a long gap between Mr C reporting the claim and finding out that the matter had been settled. And I note that this is something he found out himself and not from Admiral. In the circumstances, I think the £300 Admiral has offered is fair and reasonable and in line with awards we would make in similar circumstances.

I appreciate Mr C may be disappointed with my decision. As I said above, I understand that this is a very frustrating situation for him. But for the reasons I gave above I don't think Admiral acted unfairly or unreasonably in the way it settled the third- party claim.

### **My final decision**

For the reasons above, I have decided to uphold this complaint in part. Admiral Insurance (Gibraltar) Limited must pay Mr C £300 in total for the distress and inconvenience it caused him. If it's already made a partial payment towards this, then it must only pay the outstanding amount.

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

If Admiral Insurance (Gibraltar) Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr C how much it's taken off.

It should also give Mr C a tax deduction certificate if he asks for one so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 10 January 2025.

Anastasia Serdari  
**Ombudsman**