

## **The complaint**

Mr P complains about Admiral Insurance (Gibraltar) Limited's (Admiral) handling of his claim under his home insurance policy.

## **What happened**

Mr P held a home insurance policy with Admiral. He made a claim following a leak at his home. The claim was accepted by Admiral and it instructed a loss adjuster to assess the damage. Admiral told Mr P that a loss adjuster would attend within two working days of the report of the incident, but this didn't happen. So, Mr P raised the first complaint.

Over the course of the next few weeks, Mr P had cause to complain about the lack of communication from Admirals' loss adjuster, the initial refusal to permit alternative accommodation (AA), the delays during the claim's process and the installation and removal of dryers to dry out the area.

Mr P explained that despite his home being difficult to live in due to the leak, Admiral initially refused to provide him with AA. But this initial decision was changed, and Admiral provided some AA. Mr P complained as he believed he ought to have been allowed AA from the date of the incident, but Admiral said that AA could only be paid from when Mr P actually moved into the AA and this payment could not be retrospective.

Admiral obtained a report from its own in-house surveyor that concluded that Mr P's home was habitable. Once this information was given to Mr P. Admiral eventually withdrew AA from 21 August 2021.

Admiral investigated Mr P's initial complaints which related to the lack of communication from the loss adjuster and whether AA should be paid before it was allowed. For these failings, Admiral offered £100 compensation for the inconvenience caused, which Mr P declined to accept. In addition, Admiral had already agreed a disturbance allowance (DA) of £10 per person per day. Despite Mr P not accepting the compensation offered, Admiral deemed the complaint resolved.

Following on from this, Mr P had cause to complain about the provision of dryers. He said that dryers were initially provided to dry out the floor. But he was concerned that the drying out wasn't effective, as there was still flooring that hadn't been fully removed.

Admiral told Mr P that he could get quotes from his own contractors for the repairs, which Mr P did. And Admiral provided a settlement figure, which included Mr P instructing his own contractors to conduct the drying out of his property (as he wasn't happy about the drying out company that Admiral had used). The settlement figure totalled £11,736.87 less the policy excess of £600. Mr P said this was far too low to carry out the repairs needed, as his quotes were substantially higher.

In addition, there had been an issue between Mr P and the loss adjuster appointed by Admiral over the dryers. Mr P said that the dryers were removed before the floor had been

fully dried. The loss adjuster said that Mr P had asked for the dryers to be removed unless he was given AA. Mr P denied saying this and said that the loss adjuster had been untruthful.

Mr P said there were further delays due to the drying issues. But eventually, Admiral asked the loss adjusters to provide more dryers. Mr P again requested AA which was refused.

Admiral appointed its own in-house surveyor to inspect the property. He reported that the scope of works provided by the loss adjusters was in line with what was covered under Mr P's policy. The surveyor was concerned that the costs outlined in Mr P's quotes were inflated. And because of this, the in-house surveyor attended the property to carry out a scope of works, to ensure, that any additional damage was considered. The in-house surveyor also recommended that no further AA should be provided as the home was habitable.

Admiral later installed more dryers, given Mr P's complaint that the area wasn't properly dried out. But Mr P continued to complain as he was told that there was no cover under the terms of his policy for matching items in respect of some kitchen units. Admiral said that Mr P (under the scope of works that he had provided, with the quotes he submitted from his contractors) had requested that Admiral should replace the undamaged units. Admiral said that Mr P wasn't entitled to this under his policy. But offered a 50% contribution towards the cost.

Mr P complained to Admiral about the poor service he received during the claims process. Admiral didn't issue a final response but did give Mr P his referral rights and he referred a complaint to our service.

One of our investigators considered the complaint and thought it should be upheld. Her view was that there had been shortfalls in the service that Admiral gave to Mr P. And for those shortfalls, which she said caused Mr P considerable distress and inconvenience, she recommended that Admiral increase its offer of compensation, to a total of £400.

Admiral accepted the view, Mr P did not. He said that our investigator had missed the point and his complaint was essentially to do with the delays and poor communication from Admiral. So, he asked for a decision from an ombudsman.

### **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 will uphold this complaint, for much the same reasons as our investigator. I realise this may be a disappointment to Mr P, but I hope my findings go some way in explaining why I've reached this decision.

I note that Mr P has made a number of detailed points, which I have read and considered. I hope the fact that I don't respond in similar detail here shouldn't be taken as a discourtesy. As an informal dispute resolution service, we are tasked with reaching a fair and reasonable conclusion with the minimum of formality. In doing so, it isn't necessary for me to respond to every point made, but to concentrate on the crux of the issue.

I have considered the information provided to me from both parties and I think that the main issues of this complaint are the delays and poor communication. So, I'll focus the decision on these two issues.

Mr P said that he felt that the level of communication from Admiral was poor. Often, he would contact Admiral and the loss adjuster it appointed and received no response. He described that he sent around 45 emails which were not acknowledged. I understand how frustrating this could've been. So, I've looked at the correspondence that Mr P sent to Admiral and the records from Admiral.

The evidence shows that at times Admiral didn't respond quickly enough to Mr P's emails. And that there were a few occasions, when Mr P didn't get a response from the loss adjuster. In addition, based on what I've read, it seems that Admiral at times found it difficult to get a response from the loss adjuster as well. So, I do think there was a poor level of communication, at times, from Admiral to Mr P.

I've next considered the issue of delay. Mr P said that Admiral had caused him unnecessary delays which caused severe inconvenience for him and his family. From the evidence, there appears to have been delays throughout the claims process, some of which I think were avoidable. For instance, as previously mentioned the loss adjuster didn't make contact within the timeframe when it should've. There appeared to be an issue when no dryers were in Mr P's home, despite it still not being fully dried and the flooring hadn't been removed, which inhibited the drying out.

I asked Admiral about the delays and it accepted that it was responsible for them, rather than Mr P being at fault. But I must take into account that during the claims process, delays can occur, and I think it is fair and reasonable that Admiral accepted that it was responsible for those delays.

Admiral offered compensation for the distress caused to Mr P of £100. But based on the evidence, I think it's fair and reasonable for Admiral to increase its offer of compensation for the distress and upset caused to Mr P. I think compensation of a total of £400 (a further £300) would reflect the failings. And I think it will account for the upset and distress that Mr P described, as a consequence of the poor customer service he received.

I understand from Admiral that it has now reached a settlement with Mr P on his claim. And that the repairs are now being completed, which I can appreciate is welcome news for Mr P.

### **Putting things right**

In the circumstances, I think it's fair that Admiral Insurance (Gibraltar) Limited put matters right, as I direct below.

### **My final decision**

For the reasons given, I uphold Mr P's complaint.

Admiral Insurance (Gibraltar) Limited must pay Mr P £400 compensation, for the distress and inconvenience caused.

Admiral Insurance (Gibraltar) Limited must pay the amount within 28 days of the date on which we tell it Mr P accepts my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision 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 P how much it's taken off. It should also give Mr P a certificate showing this 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 P to accept or reject my decision before 31 May 2022.

Ayisha Savage  
**Ombudsman**