

## **The complaint**

Mr and Mrs H have complained about a delay in the service they received from Admiral Insurance (Gibraltar) Limited (Admiral) under the Home Emergency section of their Home Insurance policy.

References in this decision to Admiral include its claims managers and contractors.

## **What happened**

Mr H called Admiral's 24-hour hotline at around 05:14 on 21 January 2021 to report that water was coming through their bedroom ceiling and their electrics had fused because of a water leak from their boiler which was above their bedroom. Mr H turned off the water supply to stop the leak. Mr and Mrs H have a baby who was 8 months old at the time. Without electricity, they couldn't heat milk to feed him and they also had to keep him warm at a very cold time of year. Dealing with the leak and getting their electricity supply back was therefore a matter of urgency for them.

Mr A says that Admiral told him that they'd receive a phone call from its contractor within an hour to arrange an engineer's visit. Having not received any call by 09:00, Mr H phoned Admiral's 24-hour hotline again to be told that its contractors don't open until 08:00. He said he was going to arrange for his own contractor to visit to fix the problem, which he did. Admiral's contractors didn't contact Mr H until 09:43.

Mr and Mrs H have been reimbursed by Admiral for the cost of their own contractor, but their complaint is that what they had thought to be a 24-hour product was not. They say they'd paid for a policy for a service they expected but which they didn't receive as Admiral's contractors don't provide a 24-hour service. This upset is the greater because of the particular impact the failure to contact them had on them because of their young baby, which Mr H says Admiral was aware of.

Admiral has accepted there was a delay which it says was down to system issues its contractor was experiencing that day. It apologised and offered Mr and Mrs H compensation of £25. As Mr and Mrs H weren't satisfied with that as a response as they don't consider that it adequately reflects the particular impact the delay had on them, they brought a complaint to this service.

Our investigator's view was that there were shortfalls in Admiral's handling of Mr and Mrs H's claim, and this resulted in a greater level of distress which hasn't been fully recognised by Admiral. His view was that the £25 compensation offered by Admiral wasn't appropriate and should be increased to £75.

Admiral was given an opportunity to comment on our investigator's view but hasn't done so. Mr and Mrs H's complaint has therefore been passed to me to make a final decision from this service.

## 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 upholding Mr and Mrs H's complaint and I'll explain why.

I should first mention that having looked at the terms of Mr and Mrs H's home emergency policy, although the help-line is available 24 hours a day every day, there is nothing within it that provides any timescale for a response from an engineer. Under the heading "*How we will settle your claim*" it states:

*"We will*

- tell you how to immediately protect you, your home and anyone who lives in it*
- check your cover, and*
- arrange for one of our authorised contractors to get in touch with you to make an appointment, or settle your claim on a reimbursement basis.*

*We, along with our authorised contractors, will manage your claim and keep you updated at all times. This will include us monitoring the progress of the repair through regular contact with the authorised contractor and contacting you to make sure all the agreed work has been completed.*

*We will organise an emergency call-out, labour, parts and materials to carry out a temporary emergency repair".*

So there is no contractual entitlement to an engineer's visit within a specific timeframe.

Admiral has said that its contractors should make first contact with a customer within 30 minutes. It has therefore upheld Mr and Mrs H's complaint about a delay in the service it provided, so I don't need to make a finding on that. But I do need to consider Mr H's complaint about the compensation Admiral has offered.

Awards of compensation that this service can make aren't intended to fine or punish a business. This is the job of the business's regulator. We can award fair compensation that's a proportionate reflection of the impact a business's actions (or inaction) has had on its customer.

If we decide a business has acted unfairly, we consider the impact on their customer. For us to award compensation, we need to decide that the impact of a business's actions has been greater than just a minor inconvenience or upset, more than the inconvenience and upset that happens from time to time in our day-to-day lives and in our dealings with other people, businesses and organisations. We're unlikely to tell a business to pay compensation in these circumstances unless what the business did or failed to do had a significant impact on a particular customer.

I consider that the fact that Mr and Mrs H had an 8-week-old baby who needed to be kept warm and to have warm milk prepared raised the threshold of their need for an urgent repair. I don't consider it was unreasonable for Mr and Mrs H to be upset and concerned by the absence of communication from Admiral's contractors from around 05:15 until their decision to resort to self-help from their own independent contractor at around 09:00.

For these reasons, I'm upholding this complaint and I consider that compensation of £75 as suggested by our investigator in his view is fairer and reasonable in the circumstances.

**My final decision**

For the reasons I've given above, I'm upholding Mr and Mrs H's complaint and I require Admiral Insurance (Gibraltar) Limited to pay them compensation of £75.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mrs H to accept or reject my decision before 14 September 2022.

Nigel Bremner  
**Ombudsman**