

The complaint

Mr and Mrs P complain that Admiral Insurance (Gibraltar) Limited (Admiral), who provided them with home emergency cover under their home insurance policy, unfairly charged them a call out fee of £97.20. They're also unhappy with the service they received during their claim.

What happened

Mr and Mrs P had a home insurance policy with Admiral. This also provided home emergency cover.

On 31 July 2021, Mr and Mrs P had a problem with their electrics. They thought they'd drilled through a cable in their home. This had led to there being no power in the house. They reported the loss of power to Admiral.

Admiral said the claim was covered as Mr and Mrs P had a total failure of their domestic power supply resulting in their home being uninhabitable. It appointed a contractor to attend. But said that the contractor had passed the job back to it after not being able to source an appointment time. It then appointed a second contractor. They arranged to visit the property on 1 August 2021.

Admiral said the contractor arrived within the timeslot Mr and Mrs P had been given.

Before the contractor arrived at the property, Mr P managed to restore power. But he wasn't comfortable that he'd completed the required repair properly. So he still expected Admiral's contractor to attend to confirm or complete the repair.

Admiral said that when its contractor had attended, he'd found that all electrics were operational. So it advised its contractor not to continue with works at Mr and Mrs P's property as there was no longer an emergency situation present. Admiral said that Mr and Mrs P had been told, during their initial claim call, that if the contractor discovered that there was: *"no policy cover due to any policy exclusions or any information provided in this call is incorrect"* they would be charged for the call out and any repairs carried out. It said that as there was no emergency at the property when the contractor attended, it could no longer cover the claim under the home emergency insurance.

Unhappy that they'd been asked to pay for the call out fee, and because they felt there'd been a delay to the contractor attending their property, Mr and Mrs P complained to Admiral.

Admiral issued its final response to the complaint. It didn't think it'd done anything wrong. It said it couldn't guarantee appointment times would be on the same day as the emergency was notified. And that it had told Mr and Mrs P during the initial call that if they weren't happy with the appointment time, they could source their own contractor.

Admiral didn't agree that Mr and Mrs P had been incorrectly charged for the call out. It felt that Mr and Mrs P should've called it to update it that there was no longer a home emergency. It said it could then have then cancelled the appointment and avoided the call

out fee.

Mr and Mrs P didn't agree with Admiral. So brought their complaint to this service. Our investigator felt that the complaint should be upheld. Although she felt that Admiral had attended the appointment within reasonable timescales, she didn't agree it'd acted reasonably when it'd charged Mr and Mrs P for the call out. To put things right, she recommended the call out fee either be waived or refunded with 8% simple interest.

As agreement couldn't be reached, the complaint has come to me for a 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.

Having done so, I'm going to uphold it. I agree with our investigator that Admiral has unreasonably applied the call out fee. I'll explain the reasons for my decision.

I first considered whether Admiral attended the appointment within reasonable timescales.

I've not found any set timescales for contractors to attend a property after a home emergency in the policy terms. And from what I've seen, Admiral took reasonable steps to get a contractor out to Mr and Mrs P as soon as it could. Admiral also explained that Mr and Mrs P had an alternative option if they preferred. Overall, I don't consider Admiral did anything wrong here.

I next considered whether Admiral acted fairly when it said that Mr and Mrs P were liable for the call out charge.

Having listened to the call recordings between Admiral and Mr and Mrs P, I note that Admiral told Mr and Mrs P that if its contractor attended and found there was no cover due to an exclusion or incorrect information, Mr and Mrs P would be charged for the call out. Admiral didn't say how much this would be.

Admiral also explained that it only offered temporary repairs. This is also covered in the policy terms and conditions.

From what I've seen, Mr P worked to find a temporary solution. He was able to restore power. But he wasn't comfortable that the repairs he'd carried out had been done completely correctly. So he didn't tell Admiral there was no longer a problem, as in his opinion, there still was an issue. I understand why he feels this way.

Having reviewed the policy terms and conditions, I can't see where Admiral is entitled to charge a call out fee under the terms of the policy. Mr P had found a temporary solution to the power outage, so there was nothing further for Admiral's contractor to do. But Admiral hadn't found that there was: *"no policy cover due to any policy exclusions or any information provided in this call is incorrect"* – an exclusion didn't apply, and Mr and Mrs P had given correct information during their initial call. Therefore I agree with our investigator that Admiral unreasonably applied the call out fee.

Putting things right

I uphold the complaint. Admiral must either waive the call out fee or refund it with 8% simple interest.

My final decision

I uphold the complaint. Admiral Insurance (Gibraltar) Limited must either waive the call out fee, or refund it with 8% simple interest.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P and Mr P to accept or reject my decision before 9 November 2022.

Jo Occleshaw
Ombudsman