

The complaint

Mr S complains that Admiral Insurance (Gibraltar) Limited (“Admiral”) hasn’t offered enough compensation for the distress and inconvenience he suffered after it replaced a macerator under his home emergency cover.

What happened

Mr S’s macerator toilet on his ground floor broke in October 2020. Mr S made a claim on his home emergency cover. Admiral replaced Mr S’s macerator, towards which Mr S says he paid around £260. Mr S says that during the visit, he asked Admiral’s engineer why the newly installed macerator’s motor was making a buzzing sound every 20 seconds. Mr S said the engineer told him it was a good sign.

Mr S’s macerator toilet stopped working towards the end of March 2021. Mr S reported this to Admiral. He told Admiral he was disabled and the downstairs macerator toilet was his main toilet and that using his upstairs toilet wasn’t ideal.

Admiral sent out an engineer. Mr S said the engineer didn’t inspect the toilet properly and asked if Mr S had flushed wet wipes down it. Mr S said he hadn’t because he knew not to use them with a macerator.

On 31 March 2021, Mr S complained to Admiral because the macerator was still broken, and it was extremely difficult for him to get to his upstairs toilet.

A few weeks later, Mr S said Admiral told him that the 12-month warranty on the macerator was void because he’d been using wet wipes, which had stopped its pump working. Mr S told Admiral he’d explained to the engineer that he didn’t use wipes. He asked for a second engineer to inspect the macerator properly. Admiral said it couldn’t find an appropriate contractor in Mr S’s area to do this and that Mr S should find a tradesperson himself and send it the invoice. Mr S called three tradespeople and told Admiral he couldn’t afford the call out charges because he was on benefits.

Mr S then contacted the macerator’s manufacturer (“M”). He described the noise it was making and says he sent M photos and a video of the macerator. M gave three possible reasons for the macerator’s failure which it said were not related to the use of wet wipes. On 12 April 2021, Mr S provided Admiral with a recording of his call with M, where the fault was discussed, and a copy of the correspondence he’d received from M setting out the possible causes of the failure.

At the end of May 2021, Admiral contacted Mr S and told him he’d need to get an independent report into the cause of the macerator’s failure. Admiral told Mr S he could ask the manufacturer to inspect the unit and, if the warranty was found to be valid, M would replace it for him. Mr S said he’d already told Admiral that M didn’t send out engineers and that M had told him he’d need to disconnect the unit and send it to M. Mr S reminded Admiral about the call recording he’d sent it where the fault had been discussed with M but Admiral said the call wasn’t in a format recognised by its system, so it was unable to listen to

it. Admiral said the only engineer it could send to inspect the unit was the one who'd installed it. And that if Mr S couldn't afford a call out fee for his own tradesperson and the warranty was found to be valid, Admiral would reimburse him up to the remaining limits on his home emergency cover. Mr S said he'd have to borrow money from his family to cover the call out fee.

Mr S then provided an independent report into the fault to Admiral. The report cost Mr S £460 and said the macerator failed because of installation problems and that it had overflowed damaging Mr S's carpet. The report quoted Mr S £604.80 to replace the unit. Mr S referred his complaint to this service. He said he was unhappy about what Admiral had put him through. He said he wanted his macerator fixed and for Admiral to call him about his damaged carpet. Admiral made arrangements on 14 June 2021 to reimburse Mrs S's report costs.

Admiral issued its final response letter (FRL) to Mr S's complaint on 30 June 2021. It said there was clear evidence that the cause of the failure wasn't due to wipes. It said a more thorough investigation should've been carried out when the system failed the second time meaning the fault would most likely have been found and rectified. It admitted Mr S's claim could've been resolved sooner and included a photo of the unit that it said showed that the valve Mr S's plumber said was missing had been installed. Admiral offered Mr S £300 compensation and said it would either fit a new macerator under a new claim at no cost to Mr S or would pay £500 towards Mr S's costs if he wanted to use his own tradesperson or a different network.

Mr S said Admiral should cover the full cost of replacing his macerator because Admiral had caused its failure. He said £300 compensation wasn't enough and was unhappy the FRL didn't mention the damage to his carpets.

Around 19 July 2021, Admiral replaced Mr S's macerator at no cost. But told Mr S that the damage to his carpet had been caused by the macerator's failure in October 2020 and not the March 2021 failure. It said Mr S should contact his household contents insurer about making a claim for the carpet. Mr S told us he'd replaced his carpets around about December 2020 and provided a receipt for £900 dated 30 November 2020 for the fitting of a carpet. He said it'd been this carpet that had been damaged by the macerator's March 2021 failure. He said, as well, his contents insurer said he'd need to pay £500 towards a claim for his carpet.

Our investigator upheld Mr S's complaint. He said Admiral should've investigated the cause of the buzzing noise when Mr S pointed it out when the unit was fitted in November 2020. He said an investigation would've shown a valve needed to be replaced and the unit wouldn't have then failed in March 2021. He felt the £300 compensation was fair and that Admiral should pay Mr S £900 to cover the cost of his damaged carpet.

Mr S didn't agree that £300 compensation was fair or reasonable and asked for an ombudsman's decision.

After I'd considered all the available evidence to decide what's fair and reasonable in the circumstances of this complaint, I reached a different outcome to our investigator. Because the outcome was different, I issued a provisional decision giving both parties a further chance to comment on my findings ahead of issuing my final decision.

My provisional decision

I explained my provisional findings to both parties as follows:

“Admiral has replaced Mr A’s macerator, reimbursed his report costs and paid him £900 for his damaged carpet, which is fair and reasonable. But I think Mr S should be awarded more than £300 compensation. I’ll explain why.

Mr S said that he asked the engineer who installed the macerator in November 2020 about the noise it was making. There is no record of this conversation. But Mr S gave a similar account about the noise and when it started to M during their call. So because of this account - and because of what M said was the likely cause of the noise - I’m persuaded on balance that the noise began as soon as the unit was installed and that Mr S would most likely have asked the engineer about it.

Admiral’s FRL said that the fault wasn’t something that would’ve needed to be investigated during the installation visit because the engineer was carrying out a like-for-like replacement. But the noise began as soon as Admiral’s engineer replaced the unit. And Mr S asked Admiral’s engineer about it. So I’d have expected Admiral to have either investigated the cause of noise at the time of installation or shortly afterwards.

I don’t think Admiral should’ve told Mr S to make a second claim on his home emergency insurance when the macerator broke down in March 2021. I think the fault was most likely a consequence of Admiral’s installation of the unit in response to the claim Mr S made on his home emergency cover around October 2020, rather than a new claim. So I think Mr S should be compensated for the distress and inconvenience he suffered by being told by Admiral he’d need to make a second home emergency claim. And if Admiral has recorded the breakdown of the macerator in March 2021 as a new claim, it should update any records that reflect that it’s not.

In March 2021, Admiral’s engineer’s report noted “no wet wipes” when the engineer inspected the broken-down unit. And during Mr S’s call with M, it was clear that the fault described by Mr S most likely wasn’t due to wet wipes but rather due to the unit’s installation. Admiral said it was unable to listen to the call, but this wasn’t Mr S’s fault. So despite Admiral having information from its engineer and M about the cause of the fault, it still told Mr S to organise his own report when I think – given the information it had about the cause of the fault – it would’ve fair and reasonable for it to have arranged an inspection itself at no cost to Mr S, from outside of its own network if necessary. So I think Mr S should be awarded compensation for the distress and inconvenience caused to him by Admiral telling him to organise and pay initially for an independent report.

Mr S plumber’s report, sent to Admiral on the 26 May 2021, told Admiral that Mr S’s carpet had been damaged by the toilet overflowing. Mr S then emailed Admiral on 28 June 2021 and said his carpet had been ruined by the previous engineer not fitting the macerator correctly. But Admiral didn’t pay an amount to Mr S’s for his damaged carpet for some time, which I think would have delayed him replacing it. As well, I don’t think Admiral should’ve told Mr S he’d need to claim for the carpet on his household insurance as the fault was most likely a consequence of Admiral’s installation of the unit. So I think Mr S should be compensated for the distress and inconvenience Admiral caused him by telling him to claim for his damaged carpet on his household insurance and for the delays here.

Mr S made Admiral aware as early as 24 March 2021 - around the time that he reported the fault - that he was disabled. He also said to Admiral on 3 April 2021 that he has a stair lift, but that it “wasn’t as easy” and that he needed his ground floor WC operational again. Despite Admiral knowing this, it took almost four months for Admiral to consider the fault and then replace Mr S’s macerator. This is unreasonable. If Admiral had investigated the fault more thoroughly when the unit broke down, Mr S’s downstairs WC would most likely have been fixed far sooner than it was, reducing significantly the distress and inconvenience Mr S suffered, which was made worse by his vulnerabilities. And if Admiral investigated the fault

soon after the unit was installed, it's reasonable to think the unit could have been fixed and wouldn't have broken down at all.

So for the reasons above, I'm minded to require Admiral to pay Mr S a further £300 compensation in addition to the £300 it has already offered Mr S, because I think £600 is a fairer reflection of the distress and inconvenience Admiral has caused Mr S."

Responses to my provisional decision

Mr S accepted my provisional decision and Admiral didn't provide a response.

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.

And I've considered the responses of both parties to my provisional decision.

Because Mr S has accepted my provisional decision and Admiral and hasn't provided any further comment or information, I've decided uphold Mr S's complaint in line with my provisional decision.

My final decision

I uphold Mr S's complaint. I require Admiral Insurance (Gibraltar) Limited to pay Mr S a total of £600 compensation. Admiral Insurance (Gibraltar) Limited is free to deduct the £300 it has already offered Mr S from this amount if it has already paid it to him. Admiral Insurance (Gibraltar) Limited should also amend its records so that the failure of macerator in March 2021 is not recorded as a claim.

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 18 November 2022.

Ruth Peek
Ombudsman