

The complaint

Mr K complains Admiral Insurance (Gibraltar) Limited (Admiral) gave a poor level of service when he made a claim on his home insurance policy.

There are several parties and representatives of Admiral involved throughout the complaint but for the purposes of this complaint I'm only going to refer to Admiral.

What happened

In February 2022 Mr K found water under his kitchen floor. He made a claim on his home insurance policy that he held with Admiral. Admiral instructed its approved loss adjuster to look into the claim.

An approved technician attended to look at the issue. It was found that a soil pipe was leaking underneath the kitchen floor and needed repair. The repair to the soil pipe was carried out in May 2022.

The damp caused by the leak then had to be dried out before any further repairs could be completed. A dehumidifier and fan were installed. These were running seven days a week. Mr K said the noise from these machines was constant and he found it stressful to be in his home. He said he had to spend a lot of time at his neighbours to get away from the situation.

Whilst the repairs and restoration work was taking place Mr K was unable to use all the rooms in his home. The kitchen was damp, and the kitchen and lounge had the dehumidifier running. His furniture also had to be moved upstairs.

In September 2022 after heavy rainfall Mr K found water again under the kitchen floor. He made Admiral aware of this on 12 September 2022. He did not hear back from Admiral as it had agreed and so on 30 September 2022 he made a complaint.

Admiral paid Mr K £400 for the distress and inconvenience caused to him plus £30 to cover the cost of phone calls he had to make to it.

As Mr K was not happy with the amount of compensation offered by Admiral, he brought the complaint to our service.

Our investigator upheld the complaint. looked into the case and said that Admiral did accept there had been service issues but the £400 it had offered should be increased by a further £350 as the errors caused significant trouble to Mr K. They said the total compensation should be £750 and £30 for the cost of phone calls.

As Admiral is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

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.

I looked at the timeline of Mr K's claim. The claim was made in February 2022, and he made a complaint in September 2022 at which point the claim was still ongoing.

I saw as soon as Mr K made his claim Admiral instructed an approved technician to locate the leak. Admiral also instructed an approved loss adjuster to manage his claim and the required rectification work.

After the leak was located and repaired a dehumidifier was installed in the kitchen to dry out the damp caused by the leak. This meant Mr K was unable to make full use of his kitchen. The dehumidifier only worked properly for two weeks. After this time Mr K had to empty water from a tray in the dehumidifier machine on a daily basis. The dehumidifier was running in the kitchen from May to mid-June. It was then moved to the lounge.

Mr K had moved the furniture from his lounge upstairs which limited the space he had in his home even further. He said he was not told by Admiral when it came out in June 2022 that he could move it back downstairs.

The dehumidifier and fan continued to run until mid-August 2022. Mr K was then informed the floorboards and floor joists needed to be replaced.

In August 2022 Admiral's approved loss adjuster told Mr K that he could have claimed a daily disturbance allowance of £10 per day. Mr K contacted Admiral and made a claim for this allowance, and it was paid from the start of his claim in February 2022.

From the evidence I have reviewed I think Admiral could have been more proactive in checking on progress with Mr K. I saw evidence of Mr K having to contact Admiral to try and progress repairs and find out what was going on in addition to speaking with the approved loss adjuster.

I saw that there were staff changes at both the contractor and loss adjuster which caused avoidable delays when his claim was not progressed. This was because after staff had left the business Mr K's claim was not picked up by other staff members immediately as expected.

I saw evidence that in August 2022 Admiral's approved contractor informed Mr K that he may be able to claim for alternative accommodation. I think that Admiral should have brought this to Mr K's attention nearer the start of his claim when the high level of damp was found, and it was realised this was a claim that would take quite some time to conclude due to the work that was required.

I saw evidence of dehumidifiers being installed and then time spent drying Mr K's property out. I do not think an accurate timescale could be put on the drying process. I cannot hold Admiral responsible for the amount of time this part of the repair work took. But it should have kept him updated on how the drying process was progressing.

I think the issues in this case have mainly been caused by a lack of contact by Admiral and its approved contractors. Mr K should have been kept updated on a regular basis about progress and next steps of the repairs from the start of the claim and not just after he made a complaint.

I saw that Admiral accepted

- that there had been a lack of proactive contact to Mr K. It said it should have given him more updates and kept him advised about what was happening and the next steps of the claim, and this had caused delays.
- that it should have explored alternative accommodation with him earlier in his claim.
- that the noise of the dehumidifiers was unsettling and although due to the nature of the claim there would be some form of disruption it should not have an impact on his health.

The impact of Admiral's contractors delays and lack of contact from Admiral itself has caused considerable distress, upset, and worry to Mr K over many weeks and months. Significant inconvenience and day to day disruption to Mr K could have been reduced if Admiral had discussed alternative accommodation with him earlier in the claim process.

Taking into consideration all the points above, I do not think the compensation of £400 paid by Admiral is fair. I do not think it covers for the amount of stress and the length of time the inconvenience continued.

Therefore, I uphold Mr K's complaint and require Admiral to increase its offer of compensation by a further £350. Making the total compensation for the combination of issues caused to £750.

My final decision

For the reasons I have given I uphold this complaint.

I require Admiral Insurance (Gibraltar) Limited to pay Mr K a further £350 compensation for the distress and inconvenience caused to him by its lack of contact and avoidable delays.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 25 May 2023.

Sally-Ann Harding
Ombudsman