

The complaint

Mr and Ms B have complained about the level of settlement Admiral Insurance (Gibraltar) Limited (“Admiral”) offered in respect of their travel insurance claim.

What happened

In summer 2021, Mr and Ms B and their family took a holiday in Europe. They visited various places and travelled between them by car.

They arrived very late at one place. They understood the area was safe. So they decided just to take their overnight things into their accommodation and unpack the remainder in daylight.

Unfortunately, when they returned to the car the following morning, they found it had been broken into and their possessions taken. So they made a report to the local police. And, when they returned to the United Kingdom, Mr B submitted a claim to Admiral under their travel insurance policy for items of a total value of £11,760.

Admiral said their policy excluded a claim for any valuable items which had been left in the car. So they declined the family’s claim for cameras and sunglasses. In respect of the claim for the family’s personal items (valued by Mr B at just over £10,000), Admiral offered £1,936, less the policy excess of £75 per person (£300).

Mr B complained to Admiral about the level of settlement offered and the excess. Admiral rejected the complaint and referred Mr B to their policy terms which explained how they would deal with a claim. And they said that the excess is applied per person – so, because four members of the family had had possessions stolen, an excess had been deducted for each.

Mr B thought the claim hadn’t been considered correctly. He told Admiral he didn’t think they’d assessed it in line with the policy terms, because they’d only offered a settlement for items where he’d been able to provide proof of purchase – not any other proof of ownership, such as bank statements or photographs of the family wearing or using the items claimed for.

Admiral responded, saying their claims department had considered Mr B’s comments and confirmed their previous offer. Mr and Ms B wasn’t satisfied with that response. So they brought their complaint to our service.

Our investigator considered the complaint. Initially, he said Mr B hadn’t provided evidence of ownership of the majority of the items claimed for. So it was fair for Admiral to settle as they had. But, having received more evidence of what had been stolen, he concluded Admiral should pay the claim in full as he was satisfied ownership had either been evidenced, or it was not reasonable to expect it to be.

Admiral didn’t agree with the investigator’s view. So I was asked to make a decision. I reached a different conclusion from the investigator. So – to give both parties a chance to comment on that – I made a provisional decision.

I was satisfied that it was fair to deduct a total of £300 for excesses, because the policy made clear this was payable per person, per claim. And I was satisfied there was a clear exclusion of valuables.

But I didn't think Admiral had fairly assessed and settled the family's claim for their other possessions. Their policy included a term which says:

"If you're claiming for lost, stolen or accidentally damaged personal belongings you must

• ...

*• provide receipts showing the price you paid for each item and where and when you bought it. If you cannot provide a receipt we will accept other satisfactory proof of ownership, such as a bank statement or a **photograph of you wearing the article....**" [my emphasis].*

Mr and Ms B provided a number of photographs to support the claim. But Admiral declined it because they couldn't provide proof of purchase.

I didn't think that was fair. So I provisionally decided Admiral should reassess the claim on the basis of the photographic evidence of ownership provided. And I said Admiral should pay Mr and Ms B £250 compensation for the trouble and upset they'd caused them.

Both parties have now provided comments. So the matter's been returned to me to make a final decision.

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 that, I'm upholding Mr and Ms B's complaint for the reasons I set out in my provisional decision, and which I've summarised above.

I'm pleased to note that Admiral confirmed in response to my provisional decision that they accepted the decision. They said they'd need some further information from Mr and Ms B to reassess the claim. The investigator has passed this on and I'd expect from this point that the parties will liaise directly about any information Admiral need to assess the claim in line with the policy terms.

Mr and Ms B responded to my provisional decision, highlighting that their claim included items, such as underwear and towels, for which they had no photographic evidence. They said it would be unreasonable to decline the claim for these. And they said they've not replaced items while they've waited for the claim and this complaint to be resolved. As a result, replacement costs are higher than they were.

I understand the points they've made. But my role isn't to direct Admiral how they should settle the claim – it's to decide whether they've assessed it fairly, having regard to their terms and conditions. I decided to uphold the complaint because I don't think Admiral did that for the reasons I've explained.

Putting things right

As I've previously explained, I think Admiral should accept photos as proof of ownership and reassess Mr and Ms B's claim on this basis and in line with the remaining policy terms and conditions.

And, in the absence of either party making any submissions to persuade me otherwise, I think it's fair that Admiral pay Mr and Ms B £250 compensation for the trouble and upset their handling of the claim has caused.

My final decision

For the reasons I've explained, I'm upholding Mr and Ms B's complaint about Admiral Insurance (Gibraltar) Limited and direct Admiral to:

- reassess the claim on the basis of the photographic evidence of ownership provided by Mr and Ms B; and
- pay Mr and Ms B £250 compensation for the trouble and upset they caused them.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B and Mr B to accept or reject my decision before 15 June 2023.

Helen Stacey
Ombudsman