

The complaint

Mr R complains about Admiral Insurance (Gibraltar) Limited (Admiral) who declined his claim under his home insurance policy.

What happened

Mr R contacted Admiral to make a claim following a leak at his home, that was as a result of storm damage. Around a week later a contractor was sent to assist with the emergency but the appointment was cancelled around 30 mins before he was due to attend. The reason for the cancellation, was because only one contractor was attending, when the job required two.

The appointment was rescheduled for two days later. Mr R said that the contractor attended by himself, which he thought contradicted the reason given for the cancellation of the previous appointment. The contractor attended and Mr R said he carried out a cursory inspection of the damage, before leaving. Mr R contacted Admiral for an update, as he was promised one, but didn't get one.

Mr R eventually contacted Admiral, who in turn attempted to contact the contractor, which proved unsuccessful. So, Mr R raised a complaint. What then followed was what Mr R describes as poor service from Admiral. This related to Admiral closing the claim, due to the repair requiring scaffolding, which Mr R disputed.

As Mr R felt that Admiral failed to carry out a thorough enough investigation and he had to pay for an independent contractor to carry out the repairs, at a cost of £270, he further complained.

In its final response, Admiral apologised for the poor standard of service. It said that its contractor was to blame and referred Mr R back to its contractor. Mr R was given his referral rights and referred his complaint to our service.

One of our investigators considered the complaint and thought it should be upheld. He said that Admiral had accepted that Mr R experienced poor service and as the contractor acted on behalf of Admiral, then Admiral were responsible for the claim.

In addition, as Admiral had mentioned that Mr R had to have made a claim within 48 hours of discovering it. His view was that he had done so. Consequently, he recommended that Admiral reimburse Mr R's independent contractor, pay £100 compensation for the trouble and upset caused.

Mr R didn't accept the view. He said given all of the distress that he had experienced which he estimated took him around 30 hours to sort out with Admiral, he wanted a far greater amount of compensation than the £100 recommended by our investigator. So, he asked for a decision from an ombudsman.

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 will uphold this complaint, but for much the same reason as our investigator, which I understand is likely to be a disappointment for Mr R. But I'll explain why I think the decision I've reached is fair.

I understand that Mr R is content with our investigator's recommendation, of Admiral reimbursing him the cost of the independent engineer, that he used to carry out the repairs. Which was £270. Admiral haven't disputed the view or this recommendation. So, I won't be commenting further on this, except to say that this is fair and falls within the confines of the terms and conditions of the policy. The policy has a limit of £500 for repairs that policyholders have had to independently carry out. As this comes within that limit, I'm satisfied that Admiral should reimburse Mr R this cost.

Turning to the issue of the compensation recommended by our investigator. I understand that Mr R would like a far greater amount of compensation, than the £100 recommended. He said that he spent around 30 hours chasing Admiral for updates, he experienced poor service from Admiral, such as the Admiral contractor not carrying out a thorough enough investigation. Which led to Mr R paying for and instructing another engineer.

Admiral accepted that he experienced poor service and apologised for this. Mr R's home insurance policy with the home emergency section, doesn't give him cover for his time – that is, it's not something he's entitled to claim for under his contract of insurance. And I must also say any home emergency is going to involve a homeowner in some inconvenience including, almost inevitably, using their time for an engineer to come in and put things right.

When we consider what is a fair and reasonable amount of compensation, we take into account the impact of the business' error on the policyholder. I accept that the error required a reasonable amount of effort for Mr R to sort out. That the error caused distress and inconvenience for a few days. Consequently, I'm satisfied that the level of compensation of £100, is fair and comes within our guidelines.

I understand that Mr R would like more, given the time he spent in sorting out the claim. But we wouldn't compensate policyholders for their time. Whilst I can appreciate that this isn't what Mr R would've liked, I think that this is a fair and reasonable outcome. So, I won't be asking Admiral to increase the recommended amount of compensation.

Putting things right

To put matters right, I direct Admiral as outlined below.

My final decision

For the reasons given, I uphold this complaint.

Admiral Insurance (Gibraltar) Limited to reimburse Mr R £270, on production of an invoice from Mr R.

Admiral Insurance (Gibraltar) Limited to pay Mr R £100 compensation for the trouble and upset caused.

Admiral Insurance (Gibraltar) Limited should pay the above amounts within 28 days of the date we tell it Mr R has accepted my final decision. If it doesn't, Admiral Insurance (Gibraltar) Limited should pay 8% simple interest on the amounts from the date of my final decision to the date of payment.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 20 July 2023.

Ayisha Savage
Ombudsman