

The complaint

Miss J and Mr C have complained that Admiral Insurance (Gibraltar) Limited ('Admiral') has declined to settle their claim under their home emergency insurance policy, following a leak at their home.

What happened

In November 2022, Miss J reported that water was leaking through the ceiling from an en-suite bathroom in her home. Admiral was her insurer at the relevant time and accepted the claim in principle. Miss J then arranged for the leak to be traced, accessed and repaired. Admiral explained that it would reimburse her for a repair carried out privately, but not for tracing and accessing the leak, as this wasn't covered under the relevant policy.

Miss J sent her contractor's invoice of £600 in total to Admiral. However, Admiral said that it was unable to reimburse the invoice without receiving a copy containing a break-down of the work elements. It also stated that the policy didn't cover permanent repairs. Miss J complained to Admiral, but it maintained its stance and Miss J complained to this service.

The relevant investigator upheld Miss J and Mr C's complaint. He thought that Admiral could have done more to fairly resolve the complaint. It was his view that Admiral should obtain a quote for the temporary repair based on the evidence provided and pay Miss J and Mr C what it would have paid had their own contractor carried out the repair, up to a limit of £500.

Admiral hasn't responded to the view. In the circumstances, the complaint has been referred to me to make a final decision in my role as 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.

The issue for me to determine is whether Admiral has acted in a fair and reasonable manner. I don't think that it has, and I uphold Miss J and Mr C's complaint for the following reasons. In reaching this decision, I've also considered the parties submissions as summarised below.

I turn firstly to Miss J and Mr C's submissions. They said they'd contacted Admiral which had provided their home emergency cover, as water was leaking from the shower in an en-suite bathroom and was dripping through ceiling onto stairs below. Miss J said that she was advised that the policy would not cover investigation and she understood that Admiral couldn't pay for pulling out the shower. However, Miss J thought that she would be reimbursed by up to £500 for repairs. She'd arranged for a plumber to come, and he took out the shower, located the leak from a faulty trap, and then put everything back in once things had dried out, which took a period of time.

Miss J and Mr C didn't understand how it was possible to temporarily repair a shower. Miss J also contacted her plumber on several occasions and asked for a new broken-down invoice,

but he didn't come back to Miss J. She had also produced to Admiral photographs prior to and after the work. Miss J explained her personal circumstances and said that this was a huge amount of money for her. She said that she was out of pocket and had found the whole experience stressful.

I note that the relevant invoice from Miss J and Mr C's plumber refers to taking out the leaking shower, repairing the waste in the shower, replacing a bit of flooring that had rotted due to the leak, and then putting the shower cubicle back together and sealing it. Miss J said that she'd tried on numerous occasions to seek a detailed invoice from the plumber who carried out the work, however he didn't respond to her requests. Finally, Miss J said that she was told she could claim on her house insurance, but she said that the excess on that policy was £600, so she felt 'stuck'. She said that she was '*at the end of her tether.*'

I now turn to Admiral's submissions. In its final response letter, it said that Miss J had advised that she would arrange her own plumber to complete both the trace and access work and also the emergency repair. It said that it asked Miss J to provide an invoice for the emergency repair.

Admiral said that the invoice provided by Miss J in January 2023 included elements for both trace and access plus reinstatement work. It said that these costs; '*were not separated from the cost of the emergency repair so unfortunately Home Emergency advised that the invoice could not be reimbursed unless you submitted a version where the costs had been itemised.*' It subsequently maintained its stance that the invoice included work which wasn't covered by the policy and said it was therefore '*unfortunately unable to consider reimbursement until a revised copy has been provided.*'

I now turn to my reasoning for this Final Decision. The starting point will be terms and conditions of the relevant policy. In this case, the relevant provisions cover the customer in the following instances, '*it covers work needed to carry out a temporary repair and provides a maximum benefit of £500.*' The policy wording also explains that a temporary repair consists of, '*Works or repairs needed immediately to stop further damage being caused by the emergency.*'

I note that Miss J had cover for trace and access under the buildings insurance part of the policy, but not under the home emergency insurance part and she'd explained that the excess in relation to buildings meant this wasn't a feasible option. It's also the case that the relevant section only covers temporary work to stop the leak. I appreciate however that it's often difficult to envisage how temporary works to address a leak would differ from any permanent works. In this case I consider it to be clear that the necessary temporary work would be to stem the leak, and some of the work carried out by the plumber did just this.

I do however consider that a proportion of the invoice also relates to trace and access, and it references '*taking out the leaking shower.*' I'm satisfied that '*replacing bits of flooring and putting the shower cubicle back together and sealing up,*' also would not have been covered. I'm satisfied however that Admiral should pay a fair and reasonable proportion of the invoice which Miss J and Mr C were required to pay. I'm also satisfied that Miss J made all reasonable efforts to provide a further breakdown, however unfortunately, the relevant plumber has not been able or willing to assist. Whilst Admiral had spelt out what was required, I can't say that Miss J and Mr C were responsible for the plumber's subsequent unwillingness to assist and engage in the process. The question is then how to apportion the amount of the £600 invoice which should fairly and reasonably be reimbursed by Admiral.

In all the circumstances, I agree with the service's investigator that in the absence of the correctly split invoice, the fair and reasonable outcome is for Admiral to pay Miss J and Mr C what they would have paid in relation to repair of the waste facility only. I therefore consider

that Admiral could have done more to resolve this complaint and should now pay a fair and reasonable proportion of the invoice of £600 which would have been attributable to the necessary repair only. It may either pay £500 to Miss J and Mr C or it will now need to instruct an independent expert to determine a fair and reasonable apportionment.

My final decision

For the reasons given above, I uphold Miss J and Mr C's complaint and require Admiral Insurance (Gibraltar) Limited to do the following in response to their complaint:

- either pay Miss J and Mr C £500, or obtain an independent expert opinion, based on the evidence Miss J has supplied, as to a fair and reasonable apportionment of the £600 invoice.
- If Admiral opts to carry out the latter, to pay Miss J and Mr C the relevant proportion of the £600 invoice, up to a limit of £500.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J and Mr C to accept or reject my decision before 13 February 2024.

Claire Jones
Ombudsman