

## **The complaint**

Mrs K has complained about how Admiral Insurance (Gibraltar) Limited ('Admiral') dealt with a claim under a home insurance policy.

References to Admiral include companies acting on its behalf.

## **What happened**

Mrs K contacted Admiral to make a claim for an escape of water at her home. Admiral accepted the claim and started to deal with it. Mrs K complained because she was concerned about the slow progress on the claim.

Mrs K contacted this service because she remained concerned about how Admiral was dealing with the claim and complaint. Admiral provided this service with its business file but didn't provide its response to the complaints. So, an investigator issued their view on the complaint based on information provided by Mrs K, which was that Admiral had paid her a total of £700 compensation across two complaints.

Our investigator identified several delays during the claim, such as with the reinstatement work starting. Mrs K was also in alternative accommodation for many months, which caused her a lot of disruption. Overall, our investigator said the claim was poorly handled and had a significant impact on Mrs K's life. She said Admiral should pay a total of £1,000 compensation, which included the compensation Admiral had already offered.

As Mrs K didn't agree the compensation was enough, the complaint was referred to me.

## **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 uphold this complaint. I will explain why.

The Financial Conduct Authority has made rules and given guidance about our procedures for handling complaints. DISP 3.5.9R and DISP 3.5.14R allows this service to reach a decision on a complaint where a party has failed to provide information by the deadline specified, based on the information we have.

Admiral provided its business file. Our investigator also asked Admiral to provide its responses to Mrs K's complaints. Despite this being requested on a few occasions, Admiral didn't provide this information. Our investigator issued her findings based on the available information. She also later informed both parties the complaint would be passed to an ombudsman and provided a date by which any further information should be provided. That date has now passed. I've reviewed the available information. Having done so, I'm satisfied there was an eligible complaint that I'm able to consider, despite not having seen Admiral's final response letters. I'm also satisfied that I'm able to issue a decision.

I've looked at the information available to me, which includes Admiral's business file and what Mrs K told this service. Mrs K complained about the lack of progress on her claim over many months. Based on what Mrs K said, it's my understanding that Admiral offered a total £700 compensation in response to two complaints. The relevant regulator's rules say that insurers must handle claims promptly and fairly. So, I've looked at what happened.

Looking at the claim records, these showed that Admiral started dealing with the claim. Asbestos testing seemed to be carried out fairly early on. There seemed to be a miscommunication about the asbestos results with Mrs K or her son being told the results were positive, when they were actually negative. Mrs K's son told Admiral that Mrs K had been stressed by this as they had been given the positive result by email and with no further discussion. Four weeks into the claim, Mrs K told Admiral she was concerned at the lack of progress and that she had now received an energy bill that was more expensive than normal, which had added to her stress.

Admiral also discussed internally whether storage and alternative accommodation were required. It started to arrange this and decided that Mrs K would only need to move out of the property when part of the kitchen was removed. A couple of weeks later Mrs K's contents was moved to storage and the drying and strip out process started. I saw evidence that, within Admiral, there were delayed responses to requests for updates so that the claim could move forward. Based on what I've seen, I think the time taken for items to be moved to storage and for Mrs K to move to alternative accommodation could have happened sooner.

When the strip-out was complete, Mrs K was told there would be a six-to-eight-week lead time for reinstatement to start. Admiral did seem to look at ways to try and progress the claim, such as doing work in some rooms where it was possible to start the work sooner. However, Admiral didn't then seem to follow through on this. The reinstatement work started about three months after the strip-out work was completed, which I think was a sizeable delay.

I'm also mindful that Mrs K was in alternative accommodation during this time. I also saw that at one point the accommodation needed to be extended, which Admiral did. But, due to a miscommunication on Admiral's part, Mrs K was led to understand that she would need to move from where she was staying, which caused her distress. Mrs K was paid a disturbance allowance but had to ask Admiral to increase this as it wasn't enough to buy meals and she didn't seem to have access to cooking facilities. Mrs K lived in a hotel for six months, which I think would have been disruptive and inconvenient.

I'm aware that an insurance claim of this type will always cause disruption and inconvenience to a policyholder regardless of how the claim is handled. I also think that some parts of the claim seemed to progress in a more timely way, such as the reinstatement work itself, which was completed earlier than expected. I'm also aware that Admiral appointed a dedicated claim handler. This seemed to be because Admiral was aware that Mrs K was a vulnerable customer and that she had medical conditions. But I think there were still issues with progressing the claim that continued to impact Mrs K.

So, I've thought about compensation. I'm aware of the amount Mrs K has said she thinks she should receive in compensation. I've also thought about the levels of compensation we would normally award in circumstances such as these. As part of that, I've considered the level of disruption to Mrs K's life above what I would normally expect for this type of claim, as well as her personal circumstances and vulnerability. I'm also mindful that there seemed to be about four months of delays that could have been avoided.

Having thought about this carefully, I think that Admiral should pay Mrs K a total of £1,000 compensation, which includes the £700 Mrs K said Admiral previously offered. I think this

more fairly reflects what happened during this claim and the impact on Mrs K. I'm aware that this is less than the amount Mrs K has said she should receive, but I think this amount is fair and reasonable based on everything I've considered.

### **Putting things right**

Admiral should pay Mrs K a total of £1,000 compensation, which includes the £700 I understand it to have already offered.

### **My final decision**

For the reasons I have given, it is my final decision that this complaint is upheld. I require Admiral Insurance (Gibraltar) Limited to pay Mrs K a total of £1,000 compensation, which includes the £700 I understand it to have already offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 7 February 2024.

Louise O'Sullivan  
**Ombudsman**