

The complaint

Mr and Mrs H have complained that Admiral Insurance (Gibraltar) Limited hasn't fully settled a claim for stolen items they made on a travel insurance policy.

As it is Mrs H making the complaint, on behalf of herself and Mr H, I will mostly just be referring to Mrs H in this decision.

What happened

Mr and Mrs H's luggage was stolen when their hire car was broken into whilst they were on holiday abroad. Mrs H therefore made a claim for the stolen items in February 2022.

There were delays in dealing with the claim, with poor communication and sometimes a lack of information about what Mrs H needed to provide for it to progress.

Admiral accepted that it had provided poor service, so it upheld Mrs H's complaint and offered £40 compensation.

However, although Admiral settled most of the claim in October 2022, it had not included a list of smaller items that Mrs H had provided. Additionally, although Mrs H accepted that some of her items wouldn't be covered, she queried whether a portable speaker should be covered due to unclear policy wording about the definition of 'valuables'. Admiral hadn't provided a response to that query.

Our investigator looked at all of this and, in July 2023, gave his opinion that the complaint should be upheld. He recommended that Admiral should:

- Pay the claim for the smaller items, subject to the usual deductions set out in the policy.
- Interpret the ambiguous policy wording in Mrs H's favour and thereby pay the claim for the speaker.
- Add 8% interest to this additional settlement amount, from the date the original claim was assessed up to the date payment is made.
- Pay an additional £110 compensation on top of the £40 already paid.

Both Mrs H and Admiral accepted our investigator's view. However, although Admiral has paid the £110 compensation, it has still not settled the remainder of the claim.

Because the matter remains unresolved, the complaint has been passed to me for a 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.

It was in August 2023 that Admiral accepted the investigator's findings and agreed to settle the outstanding elements of the claim.

It did query how this service wanted it to calculate the amount for the small items, as it didn't have the receipts that it would usually require. Admiral was advised to disregard receipts and to work from the list that Mrs H had provided, which included cost information.

In September 2023 Admiral emailed Mrs H to confirm it was sending her a cheque for the additional £110 compensation. It also said its travel team had been provided with the information to cover the claim and that someone would contact her shortly.

That's the last contact that either Mrs H or this service has had from Admiral. Although the investigator told it on 1 November 2023 that the complaint would have to be re-opened if it didn't make moves to resolve the case as agreed, Admiral has not responded.

There's no actual disagreement between the parties as both Admiral and Mrs H accepted the outcome recommended by the investigator. It's therefore extremely frustrating that this complaint has had to come to me for a decision just because Admiral has failed to fully follow through on what it agreed to do. The benefit of doing so is that my decision becomes legally binding at the point that Mrs H accepts it.

Based on the available evidence, I'm satisfied that the recommendations set out by our investigator are a fair and reasonable way to settle the complaint. Admiral should now take steps to pay the remainder of the claim.

My final decision

For the reasons set out above, I uphold the complaint. Admiral Insurance (Gibraltar) Limited should take steps to settle the remainder of the claim as soon as possible, in line with the bullet pointed method set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mrs H to accept or reject my decision before 14 March 2024.

Carole Clark
Ombudsman