

The complaint

X and Mr O complain that Admiral Insurance (Gibraltar) Limited (Admiral) has dealt with a claim they've made on their home insurance unfairly, with long delays and little progress, and poor communication throughout.

What happened

X and Mr O contacted this service in mid-September 2023. They explained that their home had been damaged by burst water pipes in December 2022 whilst they were on holiday. They reported the problem to Admiral as soon as they knew – at the end of December 2022, and Admiral accepted their claim.

By mid-January 2023 X and Mr O had complained that progress was slow and they were paying for their own alternate accommodation despite Admiral agreeing to meet this cost. They were concerned that the claim hadn't progressed as they had a young child. Admiral agreed with the concerns raised and sent a cheque for £150 to make up for this.

Shortly after this a further complaint was made, again about the lack of progress. And again Admiral acknowledged its shortcomings. It apologised for not getting an appropriate asbestos report when it should have, the delay in a loss adjuster attending and not recording the claim as a major loss from the start. It said it agreed the survey that was done hadn't checked all the rooms and that wasn't picked up until late March. It said it would re-assess how much additional damage had been caused by not starting the drying out process promptly. Finally it agreed that communication was poor throughout. Admiral sent X and Mr O £500 as compensation.

In early May X and Mr O complained again as little to no progress was being made. They said they'd been promised a contractor would contact them – but no contact had been made. More damage was building up as the property remained wet and they hadn't been prioritised despite promises that this would happen. They said they were out of pocket as they'd had to pay for things that hadn't been reimbursed – including two months of council tax. Finally, they said they had little faith in the latest contractor to visit as they didn't seem to know what was planned going forwards.

Admiral said it had already dealt with some of the points in previous final responses, but agreed that its contractors weren't dealing with the claim as they should have and there was a lack of clear communication about what was happening. It sent a further £150 compensation and offered to pay interest on some payments that hadn't been reimbursed when they should have.

X and Mr O don't think this is good enough, and at the time of bring the complaint to us for review in September 2023 said little to no progress had been made and all the complaint points remained unresolved.

Our investigator explained in an email at the beginning of November 2023 that she could only review what had happened up to the date of the final response letter – which was May 2023. She said that was because this service can't comment on how a business has

behaved before the business has had a chance to look at this itself. She recommended X and Mr O made a further complaint to Admiral about anything that had happened (or not happened when it should have) since the latest final response letter.

Our investigator looked at what happened from the start of the claim up to the beginning of May 2023. She agreed that Admiral should have done more than it had, but thought the total compensation of £800 over the three complaints was a reasonable response. She also thought Admiral should pay interest at 8% on outstanding reimbursements, mentioning council tax in particular. That was in line with what Admiral had already offered.

X and Mr O don't think this is fair and want an ombudsman to review the complaint. They say their problems in February 2024 are the same as in the complaint from May 2023 and they'd like them incorporated into this review.

I've been asked to decide this complaint.

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.

I'm not going to uphold this complaint as I think Admiral has done enough to put things right, at least as far as May 2023. I'll explain why I think this.

I'm very sorry X and Mr O have had such a bad experience as the result of a burst pipe. I do appreciate how disruptive and upsetting that can be, especially when a home can't be lived in and there are young children to think about. The distress and inconvenience that causes isn't something that Admiral is responsible for – but it shouldn't make matters worse, as it seems to have done here and the complaint in May.

Unfortunately I can't comment on what's happened since the last final response letter. Until X and Mr O make a further complaint and Admiral has responded, this service can't review what happened. I can't ask Admiral to change things – because I don't know its explanation of what's happened or what it's done to put things right. But I hope matters are finalised and X and Mr O are back in their home.

Turning to the specifics of the complaint, I can see that communication has been poor and Admiral acknowledged that and the lack of progress. That's what it should do, as Admiral can't remove itself from responsibility for what its contractors do and/or say. The contractors are appointed by Admiral and it remains responsible for the quality of their work and how they deal with customers.

In those circumstances it's right that Admiral should apologise for delays and lack of communication, and make amends for the unnecessary distress and inconvenience suffered by X and Mr O. I've looked at the length of delay and lack of progress and I think £800 overall is sufficient compensation for the period in question. I do think that Admiral should add interest at 8% per annum for any delayed reimbursements providing X and Mr O can provide evidence they've paid out of their own pocket. That's what Admiral offered to do and is appropriate.

It follows that I can't uphold this complaint. I don't know if X and Mr O have made a subsequent complaint. If they have and they're unhappy with Admiral's response, then this service may be able to review that complaint for them in due course.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask X and Mr O to accept or reject my decision before 9 September 2024.

Susan Peters
Ombudsman