

The complaint

Mr E and Miss J are unhappy with the service provided by Admiral Insurance (Gibraltar) Limited following a claim made on their home insurance policy.

Mr E and Miss J are both parties to this complaint. Miss J has primarily dealt with this service. For ease of reference I have referred to Miss J throughout this decision.

Admiral is the underwriter of this policy. Part of this complaint concerns the actions of third parties instructed on the claim. Admiral has accepted it is accountable for the actions of third parties instructed by it. In my decision, any reference to Admiral includes the actions of any third party instructed by Admiral during the course of Miss J's claim.

What happened

In February 2022 Miss J's conservatory roof suffered storm damage. In August 2022 Miss J contacted Admiral to make a claim. Admiral accepted the claim. By December 2022 Miss J's claim still hadn't been resolved. Miss J complained to Admiral about the delay in dealing with her claim. Admiral accepted its service had been poor, and paid Miss J £300 in recognition of the upset caused by its handling of her claim. Miss J accepted this.

Following further delays, Miss J complained a second time in June 2022. Miss J received a final response in August 2023. Admiral accepted Miss J's complaint, and paid £320 compensation for the period of delay between its final response letter issued in December 2022, up until August 2023.

Miss J was unhappy with this response, and asked for this service to consider her complaint. The investigator found that the service provided by Admiral had been poor, but the compensation it had already paid was reasonable. The investigator didn't ask Admiral to do anything more in settlement of the complaint.

Miss J didn't accept the investigator's findings saying (amongst other things) '*Our claim has been open with Admiral for over 18 months. The stress this has caused me led to me being signed off work in August 2023 with anxiety. The water coming into our house has led our gas and electric bills to be higher purely to keep warm. 10 square feet of our property has been unusable*'. As the complaint couldn't be resolved, it has been passed to me for decision.

I issued a provisional decision on Miss J's complaint. This is what I said about what I'd 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.

Admiral accept that its service has been poor. The dispute now relates to what Admiral needs to do to put things right in settlement of Miss J's complaint. My decision has considered the impact on Miss J over the period from the date of the final response letter issued in December 2022 up until the date of the final response letter issued in August 2023.

Following Admiral's response to Miss J's complaint in December 2022, I've seen that there was no material movement on Miss J's claim for several months. I've seen that Miss J contacted Admiral in June 2023 to complain about the lack of progress. Admiral has explained that the delay was due to the difficulty in finding a suitable contractor to complete the remedial work required to repair Miss J's conservatory roof. But I don't think this explanation justifies the delay over several months, and impact on Miss J. It's also evident that it wasn't until Miss J complained to Admiral in June that Admiral took further action to understand the cause of the delay, and what would need to be done to put things right.

After making a complaint in June 2023 Miss J was told that a new contractor had been appointed to complete the required remedial work. I think this update could've been better managed by Admiral because of the poor timing in which Miss J was told this information, and lack of detailed context or explanation. Admiral has agreed that the service provided in the way this information was communicated was poor. I've considered the impact of this on Miss J when determining what fair compensation should look like, alongside Miss J's main complaint about the delays in managing her claim.

Having considered the poor handling of Miss J's claim, I think payment of £500 is fair compensation in recognition of what's happened, and the impact on Miss J. I'm persuaded £500 reflects the avoidable delays, and the impact on Miss J over several months as a result of being unable to use her conservatory, and chasing Admiral for updates.

I'm persuaded by Miss J's testimony about the impact on her well-being and mental health during these months. Miss J has explained how the smell of damp became worse because of the repairs being left incomplete over several months. Miss J was also deprived use of her conservatory (a relaxing and focal part of her home) during this time. I'm persuaded this caused Miss J undue upset and stress.

As Admiral was responsible for managing the claim, and was also aware of earlier delays on the claim, Admiral should've done more to support Miss J in completing the repairs to her conservatory roof in good time. It could've achieved this by taking a more pro-active approach in managing Miss J's claim, and ensuring timely progression of it. Admiral's failure to do this meant that there were avoidable delays on the claim, which Miss J should be awarded compensation for.

Putting things right

I intend instructing Admiral to pay £500 total compensation. Admiral has already paid £320, so my direction would be for Admiral to pay an additional £180.

My provisional decision

For the reasons given above, I'm minded to direct Admiral Insurance (Gibraltar) Limited to put things right as set out above.

The responses to my provisional decision

I invited both Miss J and Admiral to respond to my provisional decision.

Admiral responded and agreed with the provisional decision. Miss J responded and rejected the provisional decision. Miss J summarised on-going issues she has had with Admiral, including more recent events from November 2023 onwards. Miss J feels strongly that the compensation directed in the provisional decision doesn't go far enough in recognising the stress and upset caused to her over a long period.

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 note Miss J has explained '*... the compensation suggested by the ombudsman doesn't reflect over 2 years of stress, poor service, and living with dampness in our house.*'

In my provisional decision I explained that my decision has considered the impact on Miss J over the period from the date of the final response letter issued in December 2022 up until the date of the final response letter issued in August 2023. Miss J has referred to on-going issues with her claim, and has provided a summary of the issues experienced from November 2023 to date. I've reviewed Miss J's comments carefully. But they don't change my provisional decision. I'll explain why.

Our role is to help settle complaints between consumers and businesses that provide financial services. We resolve disputes fairly and impartially, and have the power to put things right. When dealing with a complaint about an insurance claim that remains open and on-going at the time of being referred to this service, we generally limit the scope of our decision making to issues which a business has had the opportunity to answer first.

With this in mind, if Miss J feels that there are issues with the way her claim has been handled since Admiral issued its final response letter in August 2023, Miss J should raise these with Admiral at first instance. This is in line with our approach, and how we deal with complaints referred to this service.

As it stands, neither party has provided anything which would lead me to depart from my provisional decision. It follows that my final decision remains the same as my provisional decision, and for the same reasons.

Putting things right

Admiral is directed to pay £500 total compensation. Admiral has already paid £320, so Admiral is directed to pay an additional £180.

My final decision

For the reasons provided I uphold this complaint. Admiral Insurance (Gibraltar) Limited must follow my directions above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E and Miss J to accept or reject my decision before 3 May 2024.

Neeta Karelia
Ombudsman