

The complaint

Mr and Mrs D are unhappy with the way Admiral Insurance (Gibraltar) Limited (“Admiral”) handled their claim for damage caused by damp.

The buildings and contents insurance policy was underwritten by Admiral and held in joint names. For ease of reading, I’ll refer to just Mr D throughout my decision. Any reference to Admiral includes agents acting on its behalf.

What happened

The background to this complaint is well-known to both parties. So, I’ve set out a summary of what I think are the key events.

Mr D made a claim under his policy after noticing damp in his kitchen which could’ve been caused by water coming through the roof. Admiral said the weather around that time did not meet the storm definition, but offered to appoint a surveyor to assess the damage.

In its report following the inspection, the surveyor said there was no evidence of storm damage and the fibreglass roof covering showed long term damage. Mr D said he was told that his roof was at the point of collapse, which caused anxiety and stress and impacted his sleep. He later appointed his own roofer who said the roof was fine.

Mr D contacted Admiral to discuss his claim further. He explained the water damage was behind his kitchen cupboards, with no evidence of damage on the walls, so he thought the claim may have been assessed under the wrong peril. Admiral agreed and appointed a drainage expert to investigate. The drainage report ruled out an issue with the underfloor drains.

Mr D called Admiral again and it appointed a damp specialist. During the call, Mr D raised a complaint about Admiral’s handling of his claim.

Admiral reported that its specialist tried to make appointments to visit Mr D’s home but none of the dates were confirmed. In the absence of a response, the claim was closed. When Mr D received the notification that his claim had been closed, he contacted Admiral to raise a further complaint.

In his two complaints to Admiral, Mr D said:

- Admiral investigated his claim under the incorrect perils.
- He suffered anxiety, stress and sleepless nights because it told him his roof was at the point of collapse.
- Admiral's agents were rude to him during calls.
- The appointed specialist didn't contact him but it closed his claim.

Admiral issued a final response letter to each of Mr D's complaints. It accepted that there had been shortfalls in its handling of his claim and offered £100 compensation by way of apology. However, it didn't agree that it had informed Mr D that his roof was at the point of collapse.

Mr D remained unhappy, so he brought his complaint to us.

One of our investigators thought Admiral's response to the complaints was fair and reasonable, and he didn't think it needed to do any more. He explained that Admiral assessed the claim reasonably under various perils covered under the policy to decide whether it could cover the claim. Our investigator said there was no evidence that Admiral had told Mr D his roof was about to collapse, indeed he'd had that confirmed by his own roofer. However, the evidence did support Mr D's complaint that Admiral had failed to provide a reasonable standard of customer service. That said, our investigator thought the compensation already offered was fair in the circumstances, so he didn't think Admiral needed to do anything more.

Mr D didn't agree with the outcome. He said if Admiral had confirmed from the start that there was nothing wrong with his roof, none of this would've happened.

Because he didn't agree, Mr D's complaint was passed to me to decide.

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've decided not to uphold Mr D's complaint for broadly the same reasons as our investigator. I'll explain.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. My role is to look at the evidence available and decide whether Admiral handled Mr D's claim in line with the rules. In doing so, I've also taken into consideration best practice, regulations and, where the evidence is limited, what is likely to have happened.

Incorrect perils

The policy sets out the detail of the contract between Mr D and Admiral, which includes the perils for which cover is provided. Admiral declined Mr D's claim under the storm peril and the underground services peril, but he didn't think that either was relevant to his claim.

I've listened to the call recording of Mr D's claim and he did indicate that he thought his roof could've been the source of the damp. There was some staining to his kitchen ceiling, and the policy provides cover for storm damage, so I don't consider it was wrong for Admiral to inspect the roof.

Admiral went on to consider underground drains, but Mr D said he knew that wasn't a problem. Admiral acknowledged this in its response to Mr D's complaint. While I accept that Mr D would've been inconvenienced by the delay caused in its investigation of the drains, I don't think it was necessarily wrong of Admiral to rule it out. Nevertheless, I've noted that Admiral considered this with its compensation offer.

Roof

I've thought about Mr D's complaint that Admiral left him to believe his roof was going to collapse. I don't doubt that's how he felt things had been left, but the evidence doesn't support his complaint. The investigation report indicates the roof was showing signs of wear and tear, and it was unclear about whether there was further damage not visible. I also understand Admiral said it would've advised Mr D to arrange for an independent roof inspection. Based on this, I can see how Mr D might've become concerned about the stability of his roof. But the evidence doesn't persuade me that Admiral told him his roof was going to collapse.

As Mr D received further confirmation from an independent source that his roof was fine, I see no reason to ask Admiral to provide any further reassurance.

Claim handling

Mr D is unhappy about the delays, inconvenience and distress he experienced before Admiral declined his claim. Admiral agreed that, at times, its service fell short of what Mr D could've expected.

I've noted that during one call the agent was rather abrupt in their communication with Mr D. I can understand how he might've considered that rude, and I agree that it could've been handled better. I haven't identified any similar abruptness during the other call recordings.

In respect of Mr D's complaint that Admiral failed to attend multiple appointments, I'm not persuaded that there's evidence to support this element of complaint. Admiral recorded that attempts were made to contact Mr D to confirm appointment times, but it either couldn't reach him or he didn't respond to messages. On one occasion, a message was left for Mr D but it was outside office hours and didn't provide him with an opportunity to respond. Admiral agreed that fell short of the service that could be expected.

I wouldn't expect Admiral to attend unless it received confirmation from Mr D, so I think it was reasonable at that point to close the claim. The letter prompted further contact from Mr D and it reopened the claim, so I don't think it treated unfairly by providing the claim closure notification.

Given that Admiral tried to progress the claim, and it looked into cover for various perils, I'm not persuaded that Admiral caused significant or avoidable delays. However, the evidence shows that it failed to manage one of the appointments appropriately.

Compensation

In considering the evidence, I'm satisfied that Admiral's offer of £100 compensation for the shortfalls during Mr D's call with one of its agents and the unconfirmed appointment is fair and reasonable. Had Admiral not made its offer, I would've awarded compensation of broadly the same amount, which is in line with our guidance. I haven't seen anything in the evidence which persuades me Admiral should increase its offer. To be clear, my decision is based on the expectation that Admiral pays Mr D the £100 compensation it offered if it has not already done so.

In summary, I'm satisfied that Admiral reasonably considered Mr D's claim against various perils to see whether the policy offered cover. I don't find that it treated him unfairly by doing so, and the evidence doesn't show that it caused any significant delays in considering the possible perils. Therefore, I see no reason to require any further action of Admiral in respect of this complaint.

For completeness, I've noted that Mr D raised a further complaint with Admiral about his claim outcome. I have not considered that complaint here because Admiral issued its final response after Mr D had already brought this complaint. I understand Mr D is aware that he'd need to bring a new complaint to us should he remain unhappy with Admiral's response.

My final decision

For the reasons given, my final decision is that I don't uphold Mr and Mr D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D and Mr D to accept or reject my decision before 15 January 2025.

Debra Vaughan
Ombudsman