

The complaint

Mr M's complained that Admiral Insurance (Gibraltar) Limited have unfairly declined his claim

What happened

In 2023, Mr M found the laminate floor in his shower room was spongy. He called a tradesman to investigate. The tradesman found there was a leak which had caused the laminate to lift.

Mr M called Admiral to make a claim on his policy. Admiral asked him to provide photos of the damage and details of the room, which Mr M agreed to send. Admiral decided the claim was suitable to be referred to their remote assessing (RA) team.

A few days later, the RA team called Mr M and offered him a settlement of £1,900, from which his excess (£600) would be deducted. Mr M declined the offer, as he said it wouldn't be enough for him to get the necessary repairs done. So Admiral instructed one of their agents to attend his property to validate the claim.

Mr M was due to be away from home. So Admiral's agent didn't visit his property until about four weeks after the claim was first made. The agent prepared a report following his attendance. This concluded that the leak had occurred as a result of failed sealant in the shower area. Damage caused in this way was excluded from cover. So Admiral declined Mr M's claim.

Mr M complained. He said the decision to decline the claim was at odds with the offer Admiral had previously made and he'd not been provided with a copy of the report Admiral had relied on. And he said the agent who came to do the survey had made discriminatory comments and his report was biased. Admiral sent Mr M a cheque for £50 compensation for not making the process around the initial offer and later decline clear. But they didn't uphold any other complaint.

Mr M continued to try and pursue the claim and provided Admiral with a report from his own contractor, in whose opinion the damage had been caused by an escape of water from the waste trap under the shower. Admiral considered this information but didn't change their decision that the damage was the result of failed sealant.

Mr M made a second complaint about this and about the fact Admiral took money from his bank account for the policy renewal when he wasn't able to deal with his affairs. Admiral didn't uphold either of these complaints. They maintained their decision to decline the claim was fair. And they said Mr M's policy was set to renew automatically – which is why they took the money from his account.

A third complaint repeated complaints Mr M had made before. He also complained the further information he'd provided to support his complaint hadn't been reviewed and that he'd been given wrong information during a webchat. Admiral sent Mr M a cheque for £25 to compensate for the wrong information, but didn't uphold any of his other complaints.

Mr M remained dissatisfied so brought his complaints to our service. Our investigator reviewed all the information provided and concluded Admiral didn't need to do any more to resolve matters. She was satisfied it was fair for Admiral to rely on the evidence they had to decline the claim. And she thought what had gone wrong was reasonably compensation by the cheques totalling £75 which they'd sent Mr M.

I didn't agree with the investigator's view. So I made a provisional decision. To summarise, that said I was persuaded by a photograph provided by Mr M that the waste trap was leaking at the time he lodged his claim. The agents appointed by Admiral didn't attend his property until about four weeks later – so their evidence that the floor was dry didn't persuade me Mr M's testimony was wrong. And I thought it was more likely the leak from the waste trap had led to the damage than that a seal had failed.

I wasn't minded to uphold Mr M's other complaints. But I did think the evidence about the timing and most likely cause of the leak meant that Admiral should reassess Mr M's claim in line with the remaining policy terms and conditions. And they should pay him a further £300 compensation for the impact their original decision had on him.

Admiral accepted my provisional decision. Mr M also accepted it but made some further comments which I'll address below.

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 that, I'm upholding Mr M's complaint for the reasons I set out in my provisional decision and which I've summarised above.

Although Mr M said he accepted my provisional decision, he has provided copies of webchats he had with Admiral, apparently to challenge my provisional findings that Admiral had sent a copy of the agent's report promptly, and that he was told his policy would renew automatically.

I've studied the text of the webchats, but neither persuades me I should uphold these complaints. The chat about the report indicates that Admiral would chase the agent for the report – which they did. And they forwarded it promptly on receipt from the agent. The second chat shows Mr M had received a cheaper quote for renewal from another provider and contacted Admiral to see if they could match it. Admiral reduced their renewal price, but couldn't match the other quote. At this point, the webchat records Mr M said he would call again the following day, to which the agent replied:

"Till that time I will keep the policy under auto renewal".

Mr M acknowledged this, saying "okay bye". I'm satisfied from this there was a webchat about renewal in which Admiral told Mr M his policy was set to auto renew.

Finally, I've noted Mr M has said his first contact with Admiral should have been dealt with under the home emergency section of his policy. This isn't something that he has previously raised, either with Admiral or with the Financial Ombudsman Service, so it's not something I can make a decision on here. If Mr M wants to pursue that complaint, he will need to raise it with Admiral for them to consider in line with their complaint handling process.

Putting things right

I explained in my provisional decision that I thought the £75 Admiral have paid Mr M for what they identified was fair for the issues they'd identified.

But I also said they should also reassess his claim in line with the remaining policy terms and conditions. And I said Admiral should pay Mr M an additional £300 compensation for the impact their decision has had on him. As both parties accepted my provisional decision, I see no reason to change what I said there.

My final decision

For the reasons I've explained, I'm upholding Mr M's complaint about Admiral Insurance (Gibraltar) Limited and directing Admiral to:

- reassess Mr M's claim in line with the remaining policy terms and conditions, and
- pay him £300 compensation, in addition to the sums they've already sent him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 October 2024.

Helen Stacey
Ombudsman