

The complaint

Miss H has complained about how Admiral Insurance (Gibraltar) Limited ('Admiral') dealt with a claim under a home insurance policy.

References to Admiral include companies acting on its behalf.

What happened

Miss H contacted Admiral to make a claim when her garage and its contents were damaged by a fire. Admiral accepted the claim and started to assess it. Miss H later complained because of delays with the claim and Admiral's service. When Admiral replied, it upheld the complaint. It said the claim should have progressed faster than it had. It also hadn't actioned documents that would have enabled it to progress the claim quicker. It accepted more could have been done to keep Miss H up to date about the claim. It apologised and offered £300 compensation.

Miss H complained again. When Admiral replied, it accepted that Miss H hadn't received acknowledgments to some emails and that there had been a lack of updates. Admiral also said it would arrange for someone to speak to Miss H about further damage to her contents due to the lack of progress on the claim. It said it had previously noted Miss H's customer support requirements. It also said it would confirm the contents figure, but that information was currently being awaited. It said it was also experiencing high work volumes due to recent adverse weather. Admiral apologised for the service issues and offered £100 compensation.

Miss H remained concerned about her claim and complained again. When Admiral replied, it noted delays in it requesting and receiving updates from a third-party loss assessor. It said Admiral should have been more proactive on this and other aspects of the claim. It said a detailed plan of action should have been emailed to Miss H that day. It said it couldn't provide any guarantee on timescales to demolish the garage. However, the third-party loss assessor had been asked to take the lead and to provide regular updates. It offered £200 compensation.

When Miss H complained to this Service, Admiral reviewed the claim and said it would increase its offer of £200 compensation to £700.

An Investigator at this Service looked at the complaint. She said there were a range of avoidable delays and lack of updates during the claim. It was clear this also impacted Miss H's health. She said Admiral's revised offer of £700 compensation, which was £1,100 in total across the three complaints was fair in the circumstances.

Miss H didn't agree the compensation fairly addressed the issues, including because the complaint had been ongoing for many months. So, the complaint was referred to me.

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 aware there was another complaint raised after the ones described in this decision. However, Miss H has said she doesn't want me to look at the fourth complaint. This means that I am looking at what happened from August 2023 up to 22 February 2024, which was the date on which the third complaint response was issued. Although I'm aware Miss H continued to have concerns about what happened after February 2024, it doesn't form part of this decision.

It's clear this has been a lengthy and distressing claim for Miss H. I'm also aware of the circumstances that led to the claim, which spread from a neighbour's garage and seemed to add to its complexity.

From what I can see, Admiral sent a surveyor about a week after Miss H first notified it about the fire. The surveyor then provided Admiral with a report about two weeks after the visit. However, no further action seemed to be taken on the report until Miss H contacted Admiral about 11 days later to find out what was happening with the claim.

A contractor was then appointed to assess the damage. The contractor provided Admiral with a report a couple of weeks later. But, the next steps didn't then seem to be agreed or action taken. Miss H had to continue to chase for an update on this part of the claim, as well as the contents settlement. About a week later, after further chasing, Miss H was provided with an update. So, I think there were avoidable delays during this time.

I'm aware Admiral also needed to decide whether Miss H's garage had to be demolished. This seemed to be largely dependent on whether the neighbour's garage would be demolished, which a third-party loss assessor needed to advise. It was later established that both garages would need to be demolished. This meant building warrant approval needed to be obtained. It also needed to be agreed who would rebuild the garages. It's my understanding that both needed to be built together. So, I think this was a complicated situation, not all of which was within Admiral's control. However, I think Admiral could sometimes have communicated with the third party more promptly to try and reach an agreed position sooner. From what I can see, there was a lack of progress and updates to Miss H during this period. This was despite Admiral telling her it would provide updates every 14 to 21 days. Instead, Miss H often had to chase for updates to understand what was happening with her claim.

Miss H was also concerned about her contents and that she was having to store the items while the claim remained ongoing. Admiral said it would arrange for someone to discuss this with her. I think that was a reasonable approach. However, I haven't seen evidence that this was followed up during the period I'm considering. So, I think that suggests a further delay in addressing Miss H's issues during this period. I'm aware Miss H wants some storage costs reimbursed. However, I can't require Admiral to reimburse them because those costs weren't covered by the policy.

So, overall, I think there were avoidable delays and Miss H regularly had to chase to find out what was happening on the claim. Miss H has explained about pre-existing health issues, which Admiral was aware of. She said her health issues were made worse because of how the claim was dealt with. Miss H has explained the impact on her and I'm aware of what she described, including the physical and mental stress. I'm also mindful there were complicated parts of the claim that involved Admiral having to deal with a third-party about the neighbour's garage. But, I think Admiral could have progressed the claim more promptly at various points and done more to keep Miss H up to date.

Admiral has now offered a total of £1,100 for the issues identified during this period. In my view, this is a substantial amount of compensation. Thinking about the amount Admiral has now offered, I think this fairly reflects the impact on Miss H because of the delays and poor service during this part of the claim, including taking into account the impact on her health. So, I think Admiral should pay this amount to address the issues raised.

My final decision

For the reasons I have given, it is my final decision that this complaint is upheld. I require Admiral Insurance (Gibraltar) Limited to pay a total of £1,100 compensation for the period covered by this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 16 December 2024.

Louise O'Sullivan
Ombudsman