

The complaint

Mr D has complained about the way Admiral Insurance (Gibraltar) Limited handled a claim he made under his buildings insurance policy.

What happened

The circumstances aren't in dispute, so I'll summarise the background:

- Mr D got in touch with Admiral after water pipes burst and caused damage to his home. Admiral initially declined the claim, but later accepted it and began taking steps to deal with it.
- A number of complaints arose about the way Admiral handled the claim, as well as the 2024 policy renewal. Admiral issued complaint responses and paid compensation to Mr D. Unhappy with the amount of compensation, and continued problems with the ongoing claim, Mr D referred the matter to this Service.
- Our investigator said we could only consider the complaint responses about the claim from January, March, and June 2024. Admiral paid a total of £800 compensation for the impact of its claim handling in those responses. Our investigator thought that was a reasonable amount in the circumstances.
- Mr D disagreed, and our investigator wasn't persuaded to change her mind, so the complaint has been passed 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.

- The scope of this complaint is claim events between 19 October 2023 and 19 June 2024. These are covered by complaint responses in January, March, and June 2024. Our investigator has explained why claim events prior to this can't be considered. And that Mr D is entitled to raise a new complaint about claim events after this time.
- The scope of this complaint doesn't include any of the concerns Mr D raised following the 2024 policy renewal, as they have been considered separately. Nor does it include any potential financial losses Mr D may have incurred, at any time, in relation to being unable to sell or rent the property during the claim. This matter hasn't been raised with Admiral yet, so the first step is for Mr D to do that. If he's unhappy with its response, he'll be entitled to refer the complaint to this Service because I haven't considered this matter within the scope of this complaint.
- When considering what's fair and reasonable in the circumstances I've taken into account relevant law and regulations, regulators' rules, guidance and standards, codes of practice and, where appropriate, what I consider to have been good industry practice at the time. Whilst I've read and taken into account everything said by both

parties, I'll only comment on the points I think are relevant when reaching a fair outcome to this dispute. That's a reflection of the informal nature of this Service.

- When handling a claim, Admiral is required by regulation to do so promptly and fairly. It's also required to provide reasonable guidance and appropriate information on the progress of a claim.
- Within the scope of this complaint, there have been four individual complaints and responses. The reasons for the complaints were primarily delays and poor communication. Admiral has accepted it made mistakes on these points and paid compensation in response to each of the four complaints.
- So there's no doubt whatsoever that Admiral has failed to meet its regulatory requirements. Not just once, but repeatedly during the scope of this complaint – which is only a portion of the entire claim. Admiral's failure to learn from its mistakes is very disappointing – and a key focus of Mr D's complaint.
- I think it's inevitable that occasional mistakes will happen when handling claims. But when they do, I'd expect an insurer not just to respond to the complaint and pay a reasonable amount of compensation – but to also take steps to ensure mistakes don't continue during the claim. That second step hasn't happened here, and that's caused further, avoidable distress and inconvenience to Mr D.
- Our investigator explained in detail her view on the relevant points to this complaint. Neither party has challenged the circumstances as she set them out or provided further information, so I don't think the facts of the matter are in dispute. It's simply a question of whether Admiral has paid a reasonable amount of compensation bearing in mind those facts.
- Having reviewed the claim myself, I see things the same way as the investigator. As a result, I don't think it's beneficial for me to repeat all of the points our investigator made. Instead, I'll summarise some of the key points:
 - The scope of this complaint is a period of around eight months.
 - During that time there has been repeated avoidable delays and poor communication. Mr D has had to chase for updates time after time.
 - When Admiral has communicated with Mr D, it's often been ineffective. In part due to the number of different individuals involved, none of which seem to have taken responsibility for proactively handling the claim.
 - Despite Admiral recognising these failings, and paying compensation for them, the failings have continued.
 - It was reasonable for Admiral not to offer alternative accommodation in the circumstances, not to carry out a structural survey, or to finalise the schedule of work until it had the relevant information available to do so. But each of these points were negatively impacted by the avoidable delays and poor communication noted above.
- It's clear all of this has had a considerable impact on Mr D. Whilst a claim of this nature will naturally be stressful and inconvenient, Admiral has exacerbated that. The claim has taken up a lot of more of Mr D's time than it should have done, distracted him from other matters, and given him a great deal of cause for concern. It's also delayed his plans for his home. So I think it was right Admiral paid compensation.

- Taking everything into account, I'm satisfied the £800 compensation Admiral paid, across the four relevant complaint responses, is fair and reasonable in the circumstances – and bearing in mind the scope of this complaint. This is purely compensation for non-financial loss and unrelated to any claim costs or financial losses Mr D may have. It's to recognise the distress and inconvenience Mr D suffered during the relevant time – over and above that he would inevitably have experienced as a result of the claim.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 21 April 2025.

James Neville
Ombudsman