

The complaint

Ms L complains about the service she's received from Admiral Insurance (Gibraltar) Limited (Admiral) after making a claim under her home insurance.

What happened

Ms L had home insurance with Admiral. There was an escape of water at Ms L's home, so a claim was made to Admiral. Following an inspection of the damage by Admiral, Ms L was offered, and accepted, a cash settlement of around £3,500.

As Ms L was unable to arrange for the repairs to be carried out for the amount Admiral had given her, she repaid the cash settlement, and Admiral carried out the repairs.

In September 2024 Ms L's policy was due for renewal with Admiral. As she was unhappy with the increased premiums, she purchased insurance with another provider.

However, after taking out the policy, the new insurer avoided the policy (cancelled it back to the start). They said that when taking out the policy, Ms L hadn't declared the correct value of her claim with Admiral, and if she had, they wouldn't have been able to offer cover.

Ms L complained to Admiral that they'd caused her policy to be cancelled by her new insurer. She said she hadn't been made aware of the actual claim cost to Admiral, and this was higher than they had offered her as a cash settlement - which is the amount she'd told the new insurer. She also said the repair works had been completed poorly.

Admiral explained that the actual cost they incurred in completing repairs was ultimately higher than the amount Ms L had been offered as a cash settlement, they also said they provided documents at the time of renewal and Ms L could've contacted them for any information she needed to provide the new insurer when taking out the new policy.

Admiral also said that they noted Ms L had previously said she was unhappy with the works, but their supplier hadn't followed this up. Admiral paid £100 compensation for this and asked for an updated snagging list for them to revisit.

As Ms L remained unhappy, she approached the Financial Ombudsman Service.

One of our investigators looked into things but she didn't recommend Admiral do anything further. She said that Ms L's renewal documents, which Admiral had demonstrated were sent to Ms L, outlined the claim costs were higher than £3,500. So, she didn't think Admiral could be held responsible for Ms L telling her new insurer incorrect information about the claim costs. The investigator also thought Admiral had acted fairly by asking for an updated snagging list and providing £100 compensation.

Ms L didn't agree and asked for a final decision from an ombudsman.

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, whilst I appreciate it'll come as a disappointment to Ms L, I've reached the same overall outcome as our investigator.

This complaint follows Ms L's new insurer avoiding the policy she took out. Ms L said she declared around £3,500 as the claim cost with Admiral when she was taking out the new policy based on what Admiral had initially offered her as a cash settlement. The new insurer then did their own checks on the Claims and Underwriting Exchange (CUE) and discovered the claim cost recorded was actually £11,400.45. They said they weren't able to provide cover where a previous claim had been in excess of £10,000, so they avoided the policy.

I can't consider the actions of Ms L's new insurer or whether them avoiding the policy was fair or reasonable. That's because this complaint solely relates to Admiral. If Ms L is unhappy with her new insurer avoiding her policy, she'd need to raise this as a separate complaint with them in the first instance.

Ms L was initially offered the £3,500 cash settlement following an inspection by Admiral's supplier. She then returned this and asked Admiral to do the works as she was unable to arrange for these to be carried out with the amount she'd received. Admiral then carried out the works.

I acknowledge why Ms L said she told her new insurer the claim was around £3,500, as that's the cash settlement she'd been paid by Admiral.

However, when Ms L was sent her renewal invite pack by Admiral in August 2024 (accessed via the portal), before taking out her new policy with the new provider, the Home Proposal Confirmation noted previous claims including:

<i>"Date</i>	<i>Type</i>	<i>Cost</i>
<i>03/03/2023</i>	<i>Buildings and Contents</i>	<i>£14,906.14"</i>

I acknowledge Ms L disputes receiving the Home Proposal Confirmation, she says it wasn't included, only other documents were which didn't have this information. However, Admiral has provided internal system records showing that the Home Proposal Confirmation was sent and included with the renewal pack (accessible via the portal), so I'm persuaded, on balance, that it was most likely provided.

I do accept Ms L has tried to retrospectively access this from her Admiral account portal, where her current car insurance policy information is, and been unable to locate it. But she didn't go ahead with the renewal of the home insurance policy, so I don't think it's unusual that the portal wouldn't now show the same documents she was sent inviting renewal which she didn't go ahead with. And as I say, I'm satisfied Admiral has shown it was sent and included at the time.

Our investigator also confirmed with Admiral what the final settlement they recorded was, and net of Ms L returning the cash settlement, this is in line with the amount her new insurer said was visible on CUE. Admiral explained to Ms L why the amount paid to their supplier was ultimately higher than the cash settlement she'd previously been offered. And whilst I appreciate Ms L thinks this was too much for the work carried out, Admiral has accurately recorded the costs they incurred, so I don't think they've acted unfairly.

So, whilst I acknowledge Ms L told her new insurer the claim cost based on the cash settlement she'd been offered as she'd assumed that was the claim value, I can't hold Admiral responsible for this if it was incorrect and not what the claim ultimately cost them. And Ms L's renewal documents provided in August 2024, before taking out the new policy with the new provider, also showed the claim was in excess of £10,000 (which wouldn't have been acceptable to the new insurer) and more than the £3,500 she'd declared, so I don't think Admiral misled Ms L either.

Ms L has also said that Admiral wasn't clear about the claim cost when she spoke to them as they said supplier fees were commercially sensitive and wouldn't be disclosed. However, the conversation Ms L is referring to was after her policy had already been avoided by her new insurer. So, that conversation didn't influence Ms L's decision to declare £3,500 as the claim cost, and she didn't ask Admiral for the claim value before taking out her new policy either.

So, I don't think Admiral has acted unfairly, or can reasonably be held responsible for Ms L telling her new insurer incorrect information which she hadn't checked beforehand.

Ms L is also unhappy with the quality of the works carried out by Admiral's repair agent, in particular the tiling. Admiral accepts this was raised previously but wasn't followed up at the time by their supplier. But I'm satisfied they've acted fairly by paying £100 compensation for this and asking for an up to date snagging list to consider further.

If Ms L is unhappy with anything that has happened since Admiral issued its final response, such as if there have been delays or further issues after she provided the snagging list, she'd need to raise that with Admiral as a new separate complaint in the first instance.

My final decision

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 8 May 2025.

Callum Milne
Ombudsman