

## **The complaint**

Mr K and Mrs M complains about the way Admiral Insurance (Gibraltar) Limited ('Admiral') handled a claim they made on their home insurance policy.

Mrs M has acted as the main representative during the claim and complaint process. So, for ease of reference, I will refer to any actions taken, or comments made, as those of "Mrs M" throughout this decision.

## **What happened**

The following is intended as a summary of events only, as the circumstances are well known to both parties. Mrs M held a home insurance policy underwritten by Admiral. She originally raised a claim in July 2022 following a leak at her property which caused damage to her kitchen, living room, and hallway.

The claim was accepted and initially progressed, but Mrs M was unhappy with the lead-times Admiral's contractors provided and an agreement was made for Admiral to cash settle the claim instead of undertaking work themselves. However, Mrs M remained unhappy with several other aspects of the claim and how it was being handled, and she raised a complaint which Admiral responded to in March 2023 in which they awarded a total payment of £900 for compensation and financial loss.

Unfortunately, further issues arose during the repair period and Mrs M raised a further complaint which Admiral responded to in October 2023. They upheld her complaint point in relation to how their supplier had communicated with her and awarded compensation of £250. But in relation to Mrs M's concerns over cash settling the claim and providing a breakdown of this, as well as replacing her kitchen, Admiral said they hadn't acted unfairly and didn't uphold these aspects of the complaint. Mrs M remained unhappy with how Admiral had handled her complaint – so, she brought it to this Service.

An Investigator looked at what had happened but didn't recommend that the complaint should be upheld. First, she explained that a number of Mrs M's complaint points were in relation to the final response Admiral issued in March 2023 and she couldn't look at those issues; as Mrs M hadn't brought that specific complaint to this Service within the six-month deadline.

In relation to the points she could consider, between 30 March 2023 to 10 October 2023, the Investigator said she was satisfied Mrs M had chosen to accept a cash settlement to conclude her claim and she explained that this included £10,000 for a replacement kitchen so she felt Admiral had indemnified Mrs M under the policy. And she said Admiral had fairly addressed her Mrs M's complaint over how their supplier had communicated with her, so she didn't think they needed to do anything more. Finally, she felt the compensation awarded for this particular complaint was fair in the circumstances, so she didn't recommend that Admiral needed to increase this.

Mrs M didn't agree with the Investigator's findings. Her main points were:

- There was a failure to investigate further damage which resulted in her having to pay to replace her kitchen and Admiral hadn't reimbursed her this cost.
- Admiral had incorrectly stated that the settlement included the kitchen, when only the tiling work was covered.
- She was never provided with a proper cost breakdown, making it impossible to verify the accuracy of the settlement.
- Additional damage to her kitchen units due to exposure to heaters when drying out the property.
- That she felt she was forced into a cash settlement as she was left with real alternative due to Admiral's delays in appointing a contractor.
- The £250 compensation offered was inadequate.

Mrs M asked for an Ombudsman to consider the complaint - so, it's been 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 reached the same overall conclusion as the Investigator. I appreciate this will be disappointing to Mrs M – so I'll explain why.

I should explain that I won't be repeating the entirety of the complaint history here in my decision or commenting on every point raised. Instead, I've focussed on what I consider to be the key points that I need to think about in order to reach a fair and reasonable conclusion. This reflects the informal nature of this Service and our key function; to resolve disputes quickly, and with minimum formality. However, I want to assure both parties I've read and considered everything provided.

I also need to outline what period I will be considering as part of my decision. As the Investigator outlined to Mrs M previously, the issues she raised which Admiral responded to in their final response dated March 2023 are not something I can look at. This is because Mrs M didn't bring that complaint to this Service within the deadline of six months. And as Admiral hasn't consented to us considering those points, I won't be able to address them.

This means I won't be revisiting any points from that previous complaint and instead my Decision will focus on events complained about between 30 March 2023 to 10 October 2023 and responded to by Admiral in their final response in October 2023. I've addressed each of these below in turn for ease of reference.

### Communication with Admiral's supplier

Mrs M complained that one of Admiral's suppliers, who I'll refer to as 'B' in this Decision, was rude to her and made her feel discriminated against. I sincerely appreciate why Mrs M would have been upset by this type of communication and I can see Admiral upheld this point and said B had provided misinformation and had spoken to Mrs M unprofessionally. Admiral said this was not behaviour they condoned or accepted in any way, and they reached out to the

head of their supply chain network to highlight these concerns, and requested appropriate action was taken to ensure communication was provided to the network as well as training in respect of diversity and inclusion.

I can't hold Admiral directly responsible for the actions of a third-party staff member overall – but I do think their response, acknowledgement, and apology to these issues, as well as a clear outline of what steps they'd taken to address them, was a fair and reasonable way to conclude this complaint point and I hope it went some way to relieving Mrs M's concerns over her interactions with Admiral's suppliers.

#### Cash settlement

I appreciate why Mrs M may have felt that a cash settlement was her only option to progress the claim. From looking at the policy terms, I can see they say Admiral is entitled to use this option at their discretion. So, the issue for me to decide is whether this was done fairly. Mrs M initially said she accepted a cash settlement due to Admiral's delays in appointing a contractor. From reviewing the timeline of this claim, I can see they advised Mrs M in August 2022 that it would take around eight weeks to appoint a contractor and around two-weeks later Mrs M said she wanted to instruct her own builders as she didn't want to wait until Admiral's contractors were available.

I've given this complaint point a great deal of thought, but I haven't seen any evidence that Admiral delayed instruction initially or that they acted unreasonably. And I ultimately don't think they have acted unfairly here; they offered their contractors to do the repairs, but there were delays outside of their control. And in response to this they agreed to Mrs M appointing her own builders – in line with the policy terms. Additionally, while I was very sorry to hear about the experience Mrs M had with her appointed builders: as they weren't appointed by Admiral, I'm unable to hold them responsible for anything they did. So, it follows that I do not uphold this aspect of the complaint.

#### Settlement breakdown

Mrs M was unhappy that Admiral did not provide a breakdown for the cash settlement they made which she says made it impossible to verify the accuracy of the settlement. I can see the Investigator addressed this point in her findings in which she explained the first cash settlement Mrs M rejected didn't have a breakdown attached. But the subsequent and increased amount did have a breakdown provided in March 2023. As that's what I'd expect Admiral to do in this instance, it follows that I do not uphold this aspect of the complaint as I'm satisfied Admiral provided enough information to Mrs M on the cash settlement being paid.

#### Kitchen replacement

I appreciate this is one of Mrs M's major complaint points, which can be broadly broken down into three main aspects. The first was that Mrs M said she had needed to replace her kitchen at a cost of around £8,000 due to a gas pipe needing to be relocated; which required removal of all her kitchen units. The second point was that she said Admiral had not included a replacement kitchen in their scope of works and this only related to replacement tiles. Thirdly, she explained her old kitchen had become damaged due to the industrial heaters installed to dry out the property following the flood.

In respect of these issues, I've considered the evidence provided and I can see Admiral originally only included a damaged sink and base cupboard as part of the scope of works applicable to the claim. This is what I would expect to see, because Admiral wouldn't be

required to replace the entire kitchen as a result of one cupboard being damaged by the escape of water.

However, they did include a replacement kitchen in their later scope of works and said they raised a payment of £10,000 to replace the kitchen. Therefore, I think this adequately covers these issues. I say this because as the kitchen needed to be replaced in any event, the old units becoming damaged wouldn't be a loss Mrs M needed to be paid for.

So, because Admiral raised a payment that was for more than the cost of the replacement kitchen Mrs M had installed; it follows that I find Admiral have addressed these complaint points sufficiently and I won't be asking them to do anything more in this regard.

#### Verbal assurances from Admiral

Mrs M explained that she received several verbal assurances from Admiral about financial support for increased material and labour costs. However, Admiral said they were unable to locate any specific calls that Mrs M referred to. The Investigator explained she wasn't able to locate any correspondence which supported these submissions – and I also haven't been provided with a breakdown of the losses that Mrs M says were caused as a result of these assurances – so it's unclear exactly what assurances she says she hasn't received. In situations like this, where the evidence may be incomplete or contradictory, I'll need to make my decision on the balance of probabilities. That is, what I think is more likely than not to have happened, given the evidence which is available.

I appreciate Mrs M wanted to provide call logs from her phone provider – but I don't think this is required in order for me to reach a fair and reasonable conclusion on this complaint point. That's because I don't doubt Mrs M spoke to Admiral about her concerns. But having reviewed the other available evidence in this case, and the wider circumstances of the complaint, I think that Admiral have likely addressed any additional concerns Mrs M raised.

For example, Mrs M says she raised concerns about additional costs of costs of fixing her boiler that arose during repairs. But I can see Admiral addressed this and paid these costs. Additionally, Mrs M raised concerns over having to replace her kitchen due to a gas pipe needing to be re-routed. However, as I explained, Admiral raised a £10,000 payment in respect of this. So, when considering what I think is a fair and reasonable conclusion in all the circumstances of the case, under DISP 3.6.1, I think Admiral did address Mrs M's concerns and this means I don't think they need to do anything further here.

#### **What was the impact**

I recognise that Mrs M has experienced an unfortunate claim journey which at times fell below the standard I'd expect to see. While any insurance claim carries a certain level of unavoidable inconvenience as standard; my role is to consider additional inconvenience over and above this. I have no doubt this experience would have caused Mrs M additional distress and inconvenience.

I appreciate Mrs M felt the £250 awarded was too low in the circumstances and explained the overall impact to her, and I was also sorry to hear about Mrs M's health condition which he said was made worse by this situation. I naturally sympathise with her position, but it may be that she feels £250 in the grand scheme of the claim process is too low as she has included all of the claim impact to her. However, as I explained previously, I'm only able to consider the period between March 2023 to October 2023 as part of this decision. And I'm aware Mrs M was previously awarded a much larger sum in relation to her complaint points in that final decision, many of which Mrs M raised again in this complaint.

Therefore, having weighed up Mrs M's testimony, the available evidence, and the duration of the process I can look at, I find that the £250 awarded is fair. While I appreciate this amount is not what Mrs M considers to be adequate in the circumstances and it may not fundamentally change matters for her – I'm overall persuaded the sum already awarded creates a fair and reasonable conclusion to this particular complaint – so I won't be asking Admiral to increase this.

#### Ancillary matters

Finally, I'm aware that Mrs M raised concerns over damage sustained to her oven and washing machine. The Investigator explained that Admiral had said these issues hadn't been brought to their attention and that she'd also reviewed the claim file but couldn't see this was discussed or addressed in the final response issued in October 2023. Admiral have confirmed that they will review these issues as part of a new complaint. Should Mrs M remain unhappy with Admiral's response to those concerns; she's free to raise that new complaint with this Service for us to consider.

#### **My final decision**

For the reasons I've given above, my final decision is that I do not uphold this complaint or require Admiral Insurance (Gibraltar) Limited to do anything further in relation to it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K and Mrs M to accept or reject my decision before 21 July 2025.

Stephen Howard  
**Ombudsman**