

The complaint

Miss K and Mr W complain about the way Admiral Insurance (Gibraltar) Limited handled a claim they made on their home insurance policy.

This is a joint policy but as Mr W has been the main correspondent for both the claim and complaint, for ease of reading, I've mostly only referred to him in this decision.

What happened

In 2022 Mr W made a claim on his home insurance policy. Admiral accepted a subsidence claim and some mitigation works were carried out. In early 2024, repairs were due to be carried out. It was at this point Mr W says the issues started; works carried out to the hallway floor damaged the original tiles and caused the floor to be uneven and a hazard. Mr W was moved into alternative accommodation, but when he returned, he found his belongings piled high on beds, with the house dirty and items of his furniture damaged and scratched.

Several complaints were made and responded to by Admiral from August to November 2024. Admiral accepted it had caused damage to the flooring, as well as to furniture and belongings. It offered to replace most of the items Mr W had raised as being damaged, apart from a kitchen worktop and a sink (although a 50% contribution was made for the cost to replace the sink). It also recognised its handling of matters had caused significant distress to Mr W and Miss K. Across its complaint responses it paid a total of £2,315 compensation.

Unsatisfied with Admiral's responses, Mr W asked the Financial Ombudsman Service for an independent review of its complaint responses. He said he wanted £14,000 for losing the enjoyment of his annual leave from work, with an additional amount payable for stress and hurt to feelings. He also wanted his policy premiums reimbursed for paying for a service he didn't receive, as Admiral had admitted it should have assisted him in moving out of the property and back in, having been in alternative accommodation.

Our Investigator recognised Admiral had handled this claim poorly, and that had caused Mr W and Miss K sustained distress, which had impacted Miss K in particular, given her health concerns. But the Investigator ultimately felt that Admiral's total offer of compensation, spread across its multiple complaint responses, recognised the level of severe disruption Admiral caused. As such, she didn't recommend it pay any further award of compensation. She thought Admiral had reached a reasonable position in relation to the sink and worktop. She also said she didn't think Admiral needed to separately compensate Mr W for his loss of enjoyment of his annual leave, or reimburse the premiums paid. She said the premiums were payable, and as Mr W had the benefit of the insurance, and the claim being paid, she wouldn't make an award for that.

Mr W didn't accept that outcome. He said in summary Admiral had never compensated him for not providing a 'full house move' when they moved into and out of alternative accommodation. He said there had also not been any compensation for Miss K injuring herself on the damaged floor, or for Admiral being responsible for the decline in her wellbeing.

Our Investigator said she was satisfied she'd taken all of the above into account when reaching her findings. So, as the matter wasn't resolved, the matter has come 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.

Admiral accepts there were failings in the handling of this claim, and these failings led to unnecessary damage being caused to Mr W's home, as well as his belongings. It seems to me Admiral has settled the cost of most of those items and so I'm not going to revisit matters already agreed on. I'm also not going to revisit matters our Investigator set out which I agree with, and which Mr W didn't provide any further comment on. This includes the position Admiral reached in relation to the kitchen worktops and sink, and that, Mr M is still responsible for insurance premiums being payable, even though there were issues with the claim. Instead, I'm going to focus on the offer of compensation that Admiral made, and whether it should be increased owing to Mr W's points made in response to our Investigator's findings.

Admiral accepts it caused significant distress and inconvenience to Mr W and Miss K through its handling of matters. As such, I'm not going to detail its failings here, although I am fully aware of what those are.

I've reviewed Admiral's complaint responses, and I accept that it hasn't ever made a separate award for not assisting him with moving into and out of alternative accommodation. I agree that Admiral should have provided support to Mr K to help facilitate this. Mr K says Admiral have said this would've cost around £6,000. However, I don't think, in not offering to assist Mr K, this means Admiral should award this amount to him.

I haven't seen any evidence that Mr K incurred any expenses when he moved into the alternative accommodation. So I can't see that Admiral's failure to assist him has resulted in a financial loss to him of £6,000, or any other amount. If Mr W did incur any costs, then he'd need to present those to Admiral for its consideration in the first instance.

I don't consider it would be fair and reasonable for Admiral to now pay Mr K what it might have cost it to assist him. Doing so wouldn't, as is this Service's approach to complaints, amount to putting him back in the position he would've been in but for Admiral's mistake. Instead, the compensation award should recognise the unnecessary distress and inconvenience Admiral has caused him, by not providing the assistance. I've considered below whether its offer does this.

Admiral was made aware of Miss K's health concerns in complaints made by Mr W. I won't detail those here as we publish our decisions. I can see Admiral's complaint responses referred to Mr W telling it Miss K had been hospitalised, and Mr W's complaint that she'd injured herself when stumbling on the uneven floor – caused by poor works done by Admiral's contractor. As such I'm satisfied it has previously considered the impact to Miss K's health in its responses.

Whilst Admiral didn't respond specifically about the moving issues in any complaint responses, my role is ultimately to consider if Admiral's offer of compensation is fair and reasonable in the circumstances of the case. Whilst the offers were spread across different complaint responses, it has in total offered £2,315. I'm satisfied that award reasonably covers the unnecessary distress and inconvenience caused by all of the issues caused by Admiral, including it not assisting with moving into and out of alternative accommodation. Awards at this level (our guidelines say between £1,500-£5,000) recognise where a business has caused severe disruption to daily life, potentially impacting someone's health, which I'm satisfied was the case here.

However, important for this Service, when considering awards in this range, is to factor in the time this went on for. Awards closer to £5,000 are for when mistakes made cause severe disruption to daily life, impacting someone's health, which lasts for more than a year. In this

case, issues started in February 2024, by the October 2024 complaint response, it seems Admiral had agreed to most of the issues raised by Mr W and had made reasonable efforts to put matters right and recognise the problems it had caused. Whilst I accept the claim wasn't completed at that stage, I'm satisfied the severe disruption caused by Admiral's failings happened before October 2024, with June and July 2024 being particularly difficult when Mr W and Miss K returned to the property and discovered many of the issues they complained about.

However, there would have always been some disruption to Mr W and Miss K throughout that period, even if matters had been handled perfectly. A claim of this nature, particularly at a time of poor health for Miss K, will unfortunately usually cause distress and inconvenience, even if no mistakes are made. This Service doesn't award compensation for having to make a claim, and the inevitable worry and inconvenience that comes with that. And it's difficult, therefore, to separate out that upset, caused by the claim and personal circumstances, from the upset caused by Admiral's mistakes. I also have to consider that we don't award compensation in a punitive way, so I'm not considering whether Admiral has been 'punished' for its handling of matters. Having considered all of the above, I'm satisfied overall that Admiral's compensation fairly recognises the impact caused to Mr W and Miss K for the duration in question.

As such, whilst I understand Mr W's strength of feeling on the matter, I'm not going to ask Admiral to pay any further compensation in order to resolve the complaint. I understand this amount has already been paid, as such I won't require Admiral to do anything further.

My final decision

My final decision is that I'm not going to require Admiral to do anything further to resolve the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K and Mr W to accept or reject my decision before 26 August 2025.

Michelle Henderson
Ombudsman