

The complaint

Miss H and Mr H have complained about their home emergency insurer Admiral Insurance (Gibraltar) Limited. They feel it gave them poor service when handling their claim for a boiler, causing costs as well as distress and inconvenience.

Miss H has mainly dealt with the claim and complaint. So, for ease of reading, in the body of my decision, I'll mainly only refer to her.

What happened

On 10 January 2025 Miss H noted there was no hot water in the house. She contacted Admiral to make a claim. On 13 January 2025 two separate engineers arrived. Miss H told the second engineer that their services were not needed, the first engineer had diagnosed the problem and ordered a part.

The part was delayed. It was 22 January 2025 when another engineer attended to fit the part. He said that part hadn't been causing the problem – the problem still persisted and a different part was needed which would also need to be ordered. This meant the hot water supply to the property was not restored. He completed some other temporary repairs to the boiler too.

Miss H chased the outstanding repair over the coming days. She was told the part was on order and once available she'd be called to arrange for it to be fitted. On 27 January 2025 Miss H was told the part would only be fitted if she paid Admiral £314 – this was because the cost of repairs had exceeded the £1,000 policy limit. Miss H was unhappy about this. Admiral said she could contact the manufacturer, outside of the home emergency cover, and have it complete a fixed price repair, likely around £400. Miss H wasn't persuaded that was fair – she had paid Admiral for cover for just this sort of situation and she thought, if the repairs had reached £1,000, that the cost of the duplicated visit and the first part, shouldn't count towards that sum.

However, Miss H was also concerned that her family were still without hot water. On 31 January 2025, Miss H told Admiral she would pay it the £300 to complete the repair. She's advised that an engineer then attended on 13 February 2025, but that this visit still did not resolve the issue, in fact the boiler stopped working altogether. After that visit, she heard nothing more from Admiral. Miss H then made the difficult decision to take out a loan to replace the boiler. The boiler was replaced on 25 February 2025.

When Miss H complained to Admiral, it acknowledged there had been some poor service and delays to the claim. It offered £100 compensation in that respect. But it denied that the fault had initially been misdiagnosed resulting in an incorrect/unnecessary part being ordered. It maintained that Miss H had been charged correctly for continuing with the repair because the cost of call-out, labour and parts had exceeded the policy limit of £1,000.

Miss H complained to the Financial Ombudsman Service. She was unhappy about everything which had occurred – which had come at a very stressful and upsetting time for the family. There had been costs and disruption for keeping the family clean (estimated at

around £30 for extra fuel). She also noted that Admiral had promised to refund her a cost of £30 she'd incurred for her own trader to attend when the first part was delayed.

Our Investigator felt Admiral had handled things poorly, causing distress and inconvenience. He said Admiral should pay £250 compensation.

Admiral agreed to that outcome. Miss H did not. She said she particularly thought the level of inconvenience caused had been overlooked. She still felt it was unfair to say the policy limit had been reached. The complaint was referred to me for an Ombudsman's decision.

Having reviewed the complaint, I was minded to uphold it and require Admiral to make a number of payments, including reimbursement of the £314 extra repair payment I understood Miss H had made, as well as £400 compensation for upset.

Admiral said it largely accepted my findings. But it said Miss H hadn't actually paid the £314 it had at one time requested.

Miss H said she was happy with my findings. She said she was happy that the upset this had caused them had been acknowledged. She clarified that, having checked with Mr H, the £314 had not been paid to Admiral.

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 said provisionally:

"This is a home emergency policy. Its purpose is to complete temporary repairs. Miss H is covered for £1,000 of repairs. But also, in the event the boiler is beyond economic repair, for £250 towards the cost of a replacement.

Admiral has said that Miss H had to pay towards completing the repair because its outlay had exceeded the £1,000 policy limit. I asked it to show how the costs had been accrued. It referred me to two invoices. One invoice, for £119.96, was for the duplicated visit. The second was for £513.60. This second invoice comprised the part cost for the initial part at £237.60, and labour costs for fitting that part, determining that it had not resolved the fault and fitting some other temporary parts, all at a cost of £276.

I note Admiral told its contractor that it would definitely be looking to it to waive the duplicated visit fee. It also queried with it whether the first part had been misdiagnosed. The contractor said there had not been a misdiagnosis – this was just the case of an old boiler developing or showing additional faults with other parts once one part is replaced.

The total cost of the invoices for work Admiral has sought to rely on for Miss H's boiler repair having exceeded the £1,000 policy limit is £633.56. So nowhere near £1,000. I also think it's unfair for Admiral to include the duplicated visit fee, £119.96, and the cost of the initial part £237.60. Regarding the visit fee, it was not Miss H's fault two engineers were booked to attend. And regarding the part, my reading of what the engineer fitting that part said, was that the part was misdiagnosed – that part had not been faulty, the fault lay elsewhere on the system. So, even without looking to remove any sum that might reasonably be applied for fitting of that first part (with the labour costs for that visit not being broken down), the total cost I think Admiral has shown can reasonably be applied against the policy limit for this claim is £276.00 (£633.56 less the visit fee and part cost).

Admiral has not shown what the cost was of the further part found necessary for repair. But unless that and the labour cost exceeded £700, it seems the policy limit was not breached. I'm minded to require Admiral to repay to Miss H the cost she paid it to visit to fit the further part, which I understand was £314. It should reimburse this sum plus interest from the date Miss H paid it until settlement is made.

I also intend to require Admiral to pay Miss H £250. The policy entitles her to £250 towards the cost of the new boiler. Admiral's file shows it thought, around 27 January 2025, that her boiler was likely beyond repair – it's said that was why it was recommending the manufacturer's fixed price repair. As it was, Admiral, on its third visit, was seemingly unable to fix Miss H's boiler and it was ultimately replaced. I see no reason at all why Miss H should not be given this benefit available to her under her policy. I think Admiral should have highlighted this to her and offered payment of this sum from 27 January 2025. I'd note that the policy does not seek to define what is meant by "beyond economic repair", nor does it state who must make that determination. Nor is access to this benefit excluded in an instance where repairs have been done under the policy and the policy limit for repairs has been exceeded.

Admiral said it would cover Miss H's cost to have her own engineer attend. Miss H sent it proof of her £30 cost for this. She says Admiral has not reimbursed her. I think Admiral should now pay her this sum, plus interest from the date she paid it until settlement is made.*

I can see that Miss H and her family were without hot water at her home for around six weeks. I don't think that was reasonable. I understand that the family, to keep clean, had to rely on visiting friends and family multiple times each week. Miss H has estimated her costs incurred for this at around £30. I think that is a reasonable sum and that Admiral should pay her £30.

I've thought about the compensation sum our Investigator awarded. I've taken into account everything Miss H has told us, particularly about her circumstances at the time this was going on. I bear in mind this type of cover is meant to offer peace of mind and limit disruption which arises when an unexpected event occurs. When awarding compensation for upset I'm always mindful of our guidelines.

An award of up to £300 is usually made where there is a mildly stressful situation lasting a few weeks. I bear in mind this episode of errors and poor service from Admiral lasted six weeks and caused Miss H, and Mr H, incredible stress, including financial worry for a time, and a lot of inconvenience. Not only was Miss H, by all accounts, spending a lot of time chasing Admiral for updates, she also had to regularly disrupt her family's usual routines, and go through the rigmarole of taking children out of the house in the dark and cold. I know Miss H was also worried about what the impact on her relationships would be, with her having to rely so heavily on friends and family.

In the circumstances I think Admiral should pay Miss H £400 compensation. This includes the £100 it offered (but did not pay) previously. This sum, I believe, is a fair reflection of the considerable worry and significant inconvenience caused to Miss H and Mr H, over the period of many weeks."

Having reviewed the responses from the parties, it is clear that Miss H did not pay Admiral £314. As such I won't require Admiral to reimburse Miss H this sum. Otherwise, as the parties have both said they accept my provisional decision, I won't change my findings or revise the redress I suggested – those findings and the redress suggested are now those of this, my final decision.

Putting things right

I require Admiral to pay Miss H:

- £250 towards the cost of replacing her boiler, plus interest* from 27 January 2025 until settlement is made.
- £30 to reimburse her call out fee, plus interest* from the date she paid this cost until settlement is made.
- £30 for extra costs incurred to keep the family clean whilst without hot water.
- £400 compensation for distress and inconvenience.

*Interest is at a rate of 8% simple per year and paid on the amounts specified and from/to the dates stated. HM Revenue & Customs may require Admiral to take off tax from this interest. If asked, it must give Miss H a certificate showing how much tax it's taken off.

My final decision

I uphold this complaint. I require Admiral Insurance (Gibraltar) Limited to provide the redress set out above at "Putting things right".

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Miss H to accept or reject my decision before 9 September 2025.

Fiona Robinson
Ombudsman