

## **The complaint**

Mr W is unhappy that Admiral Insurance (Gibraltar) Limited cash settled a claim under his home insurance policy and about the way the claim has been handled.

References in this decision to Admiral include its agents.

## **What happened**

In February 2023 Mr W made a subsidence claim to Admiral. The subsidence had been caused by an escape of water from an underground pipe. After that was fixed, Admiral drew up a schedule of repairs. Mr W didn't think the schedule covered all the necessary works, specifically the extent of the internal repairs.

Between November 2023 and April 2024 Mr W made a number of complaints about the schedule of works and poor communication. Admiral's contractor started the repair work in July 2024.

There continued to be a disagreement about the extent of the repair works. Admiral believed that some of the damage Mr W wanted it to repair hadn't been caused by subsidence. This delayed the works. In October 2024 Admiral told Mr W if it couldn't come to an agreement with him, it would cash settle the rest of the claim as it couldn't do its repairs without Mr W doing other repairs which it thought weren't covered as part of the claim.

At the end of October Admiral decided to cash settle the claim. It said by that point all the subsidence cracks had been plastered and all its contractor had left to do was to redecorate. It ordered its contractor to stop work.

Between October 2024 and January 2025 Mr W made four more complaints. In response Admiral offered him a total of £500 compensation for delays and poor service. It said it was entitled under the policy to make a cash settlement and didn't have to provide a reason.

Mr W referred his complaints to this service in January 2025. In particular he complained that:

- There had been extensive delays in assessing and dealing with the claim.
- Admiral had stopped its contractor from completing the repairs and forced him to accept a cash settlement.
- His home had been left in a complete state of disrepair.
- The work that had been carried out was sub-standard.
- The cash settlement wasn't enough to carry out the outstanding repairs.
- It wasn't clear how Admiral had calculated the cash settlement as it hadn't provided a cost breakdown.

Our Investigator didn't uphold the complaint. She thought Admiral had treated Mr W fairly in offering £500 compensation. She also didn't think it was unfair for Admiral to cash settle the rest of the claim.

As Mr W didn't agree, the matter has been referred 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.

In this decision I can only consider the issues which were covered in Admiral's final response letters dated 24 October 2024, 19 and 27 November 2024 and 8 January 2025 as complaints about a business's final response to a complaint have to be referred to us within six months. That means I'll be looking at how Admiral handled the claim from 25 April 2024 being the date of the previous final response letter to 8 January 2025.

I can see that during this period there were delays on Admiral's part in responding to Mr W's queries. This must have been frustrating for Mr W especially when he had complained about this same issue previously. There was also poor service in overlooking some items which should have been included in the claim. But overall I think Admiral treated Mr W fairly by acknowledging these failings and paying him a total of £500 compensation. This is in line with what I would have awarded if no such offer had been made.

Once an insurer has started repairs, this service doesn't usually think it's fair for the insurer to stop work and seek to settle the rest of the claim by paying cash. In this case because of the disagreement about what damage had been caused by subsidence, Admiral hadn't been able to finish the works for which it thought it was liable. In the circumstances because of the impasse that had arisen, I don't think it was unreasonable for Admiral to cash settle the rest of the claim.

Mr W says that his house was left in a state of disrepair for the following reasons:

- Rubbish and rubble being left behind.
- Damage from dust.
- Radiators not being reattached to walls.
- Damage to the ceiling caused by Admiral.

Admiral said it wasn't responsible for the rubbish as that had been left by Mr W's builder. It had increased the cash settlement to include additional cleaning needed because of the dust. It also said its contractor had since reattached the radiators and checked that they were working. It asked Mr W to provide evidence of the damage to the ceiling which it said it would consider. Overall I think Admiral has responded fairly in relation to this part of the complaint and I won't require it to do any more.

Following our Investigator's view Mr W sent us photos of other damage to his house which he hadn't previously shared with Admiral. As Admiral hasn't had a chance to respond to this, I can't make a finding in respect of them.

I haven't seen any evidence of sub-standard work or that the cash settlement was inadequate for the outstanding works. So I'm unable to uphold this part of the complaint.

Admiral provided a high-level breakdown of the cash settlement. Insurers don't have to provide consumers with commercially sensitive information such as the rates it would pay its contractors. So I don't think it was intrinsically unfair for Admiral to refuse to give a detailed breakdown of how the settlement was calculated.

I am sorry to disappoint Mr W but having considered all of the above, I don't think Admiral

needs to do any more in relation to this complaint.

**My final decision**

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 30 October 2025.

Elizabeth Grant  
**Ombudsman**