

The complaint

Mrs B complains Admiral Insurance (Gibraltar) Limited didn't handle a claim against her home insurance policy fairly.

Mrs B is represented, but for ease of reading I will refer to Mrs B throughout. References to Admiral include the actions of its agents.

What happened

Mrs B had a home insurance policy with Admiral. In April 2024 she made a claim against the policy following an escape of water. Admiral accepted the claim. Mrs B wanted a cash settlement. And a sum was agreed and then paid to her in December 2024. Mrs B provided VAT invoices for reimbursement in early 2025.

Mrs B complains about the way Admiral handled the claim. She says Admiral subjected her to months of doubt, poor communication, and disorganisation which left her feeling emotionally drained and deeply disappointed, and she had to struggle through a disjointed and unsupportive claims process that left her feeling dismissed and abandoned.

Admiral considered several complaints from Mrs B but the substantive response was in April 2025. In this response Admiral upheld all her complaint points, apologised and offered her £500 compensation. Dissatisfied with this response, Mrs B asked our Service for an independent review.

Upon further review Admiral told our service it acknowledged its failings and said it deeply regretted the distress and inconvenience caused to Mrs B. It offered to pay Mrs B a disturbance allowance ('DA') of £10 a day from the date of loss to the date of settlement, plus interest. And to increase the compensation to £1,000 in total.

The Investigator considered Admiral's offer and concluded it was a fair one. This was because, in brief, while she accepted Admiral had let Mrs B down, she found its offer fairly and reasonably reflected the impact of its failings on Mrs B. Mrs B didn't agree as she felt £10,000 was fair compensation. As an agreement couldn't be reached, I must 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.

I agree with the outcome reached by the Investigator, and their reasons for it, and have nothing material to add. Claims of this nature will always cause distress and inconvenience, but Admiral didn't handle the claim well and this compounded matters for Mrs B. It follows compensation is appropriate and I find Admiral's offer is fair. I'll briefly explain why.

The claim settlement took longer than Mrs B would have liked, and Admiral did cause delays, communicated poorly and was at times unresponsive. But it was entitled to request

and review information as part of the settlement validation, and Mrs B did contribute to the delays through initially declining to facilitate a surveyor visit.

Mrs B has suggested she should have been placed in alternative accommodation ('AA') and instead stayed with family. My understanding is it was initially agreed Mrs B would stay with family and as no further request for AA was forthcoming Admiral didn't consider it further. I find that was reasonable.

The DA money Admiral has agreed to pay Mrs B more likely than not exceeds Mrs B's additional costs given she was living with family and had access to the usual household amenities. I'm satisfied the DA, combined with £1,000 compensation in total, fairly and reasonably reflects the distress and inconvenience Mrs B was caused.

My final decision

I uphold this complaint and require Admiral Insurance (Gibraltar) Limited to:

- Pay Mrs B DA at £10 a day from the date of loss (16 April 2024) to the date of settlement (6 December 2024), plus simple interest* at 8% a year; and
- Pay Mrs B £1,000 compensation (in total).

*If Admiral considers that it's required by HMRC to deduct income tax from that interest, it should tell Mrs B how much it's taken off. It should also give Mrs B a tax deduction certificate if she asks for one, so she can reclaim the tax from HMRC if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 17 March 2026.

James Langford
Ombudsman