

The complaint

Mr W complains about Admiral Insurance (Gibraltar) Limited's ("Admiral") handling of a claim he made under his home insurance policy.

Mr W is professionally represented in this complaint, but for ease of reference I have just referred to Mr W and Admiral as being involved.

What happened

Mr W held a home insurance policy with Admiral. In February 2022, a fire occurred at a storage facility which Mr W said he was keeping a range of personal items. Mr W explained that the items he had been keeping in storage, including furniture, jewellery, household items, and clothes were destroyed in the fire, so he raised a claim.

Admiral initially accepted the claim in principle and undertook investigations, which included an interview with Mr W. Following lengthy periods of discussion, they made a settlement of around £750 for items with receipts, but in respect of the other items Mr W had claimed for, Admiral said that there was a lack of proof of purchase as well as no substantial reasoning why many of the high-value items would have been stored in the unit.

Mr W also said any original receipts and invoices would have been lost in the fire, as they were stored in a filing cabinet within the same unit. So, he provided alternative evidence, including a witness statement and several photographs of the items and photos of the storage unit. Over the following two years, Mr W made several complaints about the claim and a lack of progress overall. Admiral made compensation payments for poor communication and delays; but maintained their concerns over many of the items being claimed for.

Following a final response issued in December 2024, Mr S brought the complaint to this Service. He said Admiral had acted unfairly by requiring unreasonably high proof criteria for the claimed items and said Admiral's approach to the claim was inconsistent with good insurance practice. He said Admiral should not delay or deny settlement of a valid claim without good reason.

Since the complaint was brought to this Service, Admiral submitted an updated settlement proposal. They outlined that household items which were consistent with being stored in the unit whilst works were being undertaken, as well as an office printer, filing cabinet, and ottoman, could be settled for a total of £12,562.75. They said they'd previously agreed a settlement of £1,109.98, less the policy excess of £300, which would take the total accepted loss to £13,672.73.

Admiral said that they proposed to deduct the £3,000 Mr W had previously been paid by the storage unit's insurers, which would mean a further payment of £9,240.02, to bring the total settlement to £10,000, in line with the policy's £10,000 limit. Admiral concluded that any additional items in storage, substantiated or otherwise, would not be covered as the policy limit would have been reached.

I provided my provisional findings to Mr W and said I thought this was a fair and reasonable resolution to the claim; given Admiral was offering to settle the bulk of the claim without the need for further proof of purchase records. I also explained why I felt Admiral not settling the possessions claim was fair, because I'd not seen any persuasive evidence that showed either proof of purchase or proof of being stored in the unit at the time of the loss. On that basis, I concluded that I thought Admiral's concerns were justified and consistent with fair claims handling. And ultimately, I said that Admiral was entitled to limit their settlement to the items they could reasonably verify

Mr W said he would accept the settlement offer from Admiral to conclude the claim, but said that, in line with the Investigator's previous findings, he should be paid £500 compensation to account for the delays caused by Admiral requiring original receipts.

As both parties have now had the opportunity to provide their submissions, I will set out my final decision of the complaint.

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.

The relevant rules and industry guidance say that Admiral has a responsibility to handle claims promptly and fairly and they shouldn't reject a claim unreasonably. So, I need to decide whether Admiral did this in a fair and reasonable way. Having done so, I think Admiral's reluctance to settle the claim in full was a reasonable conclusion given the wider evidence and policy context.

Admiral's liability is for items that were stored in the unit and lost to the fire. The policy's terms explain that Admiral can ask for "*original receipts, invoices or valuations*" to evidence a claim, but also "*instruction booklets, photographs or details of where and when an item was purchased.*" I'm satisfied that this is common wording in home insurance policies, and I don't consider this unusual. Generally, I agree that other forms of evidence can be used in the absence of specific receipts or invoices. And I would consider it good industry practice for an insurer to consider these alternatives.

Admiral maintained that they did not have proof of purchase for many of the items, but said they accepted the household items were more likely than not the types of things that would be in storage during the works. Admiral has now made an offer to settle the household items which would result in a further payment of £9,240.02. Having considered this breakdown, this is more than I would have directed Admiral to pay, so I find Admiral's offer to be fair and reasonable.

I appreciate Mr W has outlined why he feels Admiral acted unfairly, and why a sum of compensation should be paid. But I think Admiral's concerns were justified and consistent with fair claims handling. And having reviewed the complaint history, I don't think they acted unfairly in how they proposed to settle the claim overall. I'm ultimately satisfied that Admiral's concerns about the validity of the claim was a reasonable conclusion to reach and that the request for further evidence of the high-end items was fair and reasonable in the circumstances.

As such, I do not find that an award of compensation is something Admiral should pay, and I'm satisfied that Admiral's offer to settle the claim is a fair and reasonable outcome in light of all the available evidence. While I appreciate this won't be the answer Mr W was hoping for, I'm satisfied it represents a fair and reasonable outcome in light of all the available evidence.

My final decision

For the reasons I have given above, my final decision is that I uphold this complaint in part. I direct Admiral Insurance (Gibraltar) Limited to:

- Pay a further £9,240.02 relating to the contents in storage limit to conclude the claim.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 15 December 2025.

Stephen Howard
Ombudsman