

## **The complaint**

Mr and Mrs P have complained about Admiral Insurance (Gibraltar) Limited's decision to reject a claim they made under their home buildings insurance policy.

As Mr P is the lead complainant, I will refer to him on behalf of Mr and Mrs P in my decision.

All reference to the insurer Admiral in my decision includes agents acting on its behalf when assessing the claim.

## **What happened**

In May 2024 Mr P reported damage to a detached garage to his insurer Admiral which he said he first discovered a year before. On assessing the claim, Admiral declined it. It said the damage had occurred before Mr and Mrs P bought their policy with it.

Mr P complained to Admiral about a number of issues – and brought those complaints to us.

One of our Investigators thought Admiral had done enough to resolve the complaint. Although there had been some poor communication and delays by Admiral, he thought the £200 compensation it had paid for the distress and inconvenience caused was fair. Based on the opinion of the assessors, he thought Admiral had reached its decision to decline the claim in a reasonable way and within the terms of the policy. The Investigator thought Admiral's request for a copy of the Homebuyer report in 2021 when Mr and Mrs P bought the property was reasonable - and Mr P had options as to how he could disclose this without breaching data protection rules.

Mr P accepted the Investigator's view on the compensation award. He wants an ombudsman to decide on the remaining issues. In summary they are:

Admiral hasn't shared its calculation of the renewal premium to show the additional charge as a result of the claim or explained why. Mr P says this is unfair. Mr P has received no financial benefit as a result of his claim.

Claim related costs are outside of Mr P's control and should form part of Admiral's business costs.

Mr P disputes that there is an increased risk.

He said he disclosed extracts to Admiral from the Homebuyer report when they bought the property in 2021 to show the garage cracking wasn't mentioned. Mr P says the author of the report wrote that the contents of the report cannot be shared.

So the case has been passed 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.

We don't decide on a claim. But we can look at the evidence an insurer relied on to reach its decision and whether it acted reasonably and in line with the policy. We take into account industry practice and whether an insurer has treated a customer fairly.

As Mr P made a claim under his policy, in line with industry practice, Admiral has recorded the claim related costs and that a claim was made. The fact that the claim was declined doesn't change this outcome. I appreciate that Mr P says they gained on financial benefit from the claim. But that doesn't mean Admiral is wrong to record the claim costs.

An insurer decides what premium to charge based on its appetite for risk. How an insurer calculates the premium is a commercial decision. The insurance pricing market is very competitive and can fluctuate daily. This is why we see a wide range of prices for insurance cover on comparison websites – using the same set of information about a customer's circumstances.

We cannot interfere with an insurer's pricing information, nor can we share it with customers as it is deemed commercially sensitive. But we can ask an insurer to share it with us – to see if it has treated a customer fairly and as it would any other customer in the same position.

Having reviewed the information provide by Admiral, I am satisfied the renewal premium it quoted was correct and it treated Mr and Mrs P as it would any other customer in the same position.

Admiral arranged for an assessor to inspect the damage to identify a cause as part of the claims process. In May 2024, a Surveyor appointed by Admiral provided a report. They said the damage most likely occurred before the policy started. However, it listed the policy start date incorrectly as March 2024 – and it incorrectly reported the date Mr and Mrs P moved in to the home as March 2023, around 18 months after they had moved in.

These errors were acknowledged by Admiral when it replied to Mr P's complaint. I've taken them into consideration when reviewing all of the available information provided by Admiral when reaching its decision.

When Mr P contacted Admiral in May 2024, he said he'd discovered a large gap in the wall of the garage. A year before, he'd carried out repairs to cement the gap. But the gap had grown larger and the crack had started around the window on the opposite wall.

The first assessor reported damage to the floor slab cracking which would suggest subsidence. They noted separate damage to the garage where old repairs had taken place. There was metal strapping to the rear of the garage which had since become overgrown with ivy: the metal strapping suggesting an attempt to slow the movement of the wall.

The Surveyor suggested this was a pre inception issue, but this was on the basis of their understanding that the policy had incepted in March 2024, so around 14 months before. Photos provided by the Surveyor show the extent of the damage.

In June 2024, a Chartered Surveyor attended the property and provided a report to Admiral. Mr P says he has a copy of this report and can find no reference within the report to the Surveyor's opinion that the damage is historic and weathered and not having occurred recently.

The Surveyor reported on page three that;

*“the cracking appears to be weathered and not to have occurred recently.”*

They reviewed publicly available photos of the garage from when it was for sale in 2021. The Surveyor reported there were no internal photos of the garage. But the photos showed from the front elevation of the garage that there was a crack to the ‘ramped concrete’ indicating some movement already present. And cracking to the left of the garage showed dead climbers inside the cracking. The Surveyor said the photos showed the climber is already dead, indicating the cracking was there when the photos were taken in 2021.

The Surveyor concluded that – to give the benefit of doubt – it would be useful to review the Homebuyer report obtained in 2021. If this detailed no cracking to the garage, it was their opinion there would be no obstacle to considering the claim.

Mr P said he could not provide a copy of the Homebuyer Report as the author specifically set out within the report that it could not be shared. I understand Mr P’s concerns about sharing the report. Admiral offered for Mr P to allow it to contact the author of the Home buyer report – or for Mr P to provide a redacted version of the report. It is also open to Mr P to arrange at his own expense an independent report of equal weight – so from a qualified Surveyor – to evidence his view that the cracking occurred after his cover began with Admiral.

As things stand, Admiral maintained its decision to decline the claim as the information from the experts showed the damage was historical dating back to before Mr and Mrs P bought the property: as supported by the photos taken in 2021.

I appreciate that Mr P has his view on whether the damage means there is an increased risk to the insurance cover provided by Admiral. But I cannot take that into consideration as a professional opinion of equal weight to that of the opinions of the professionals appointed by Admiral who inspected the damage.

So, taking everything into account, I don’t find that Admiral’s decision to decline the claim for pre-existing damage to be unreasonable. Admiral’s policy doesn’t provide cover in these circumstances. This means I’m not upholding Mr and Mrs P’s complaint.

### **My final decision**

I’m sorry to disappoint Mr and Mrs P. But for the reasons I’ve given above, my final decision is that I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs P and Mr P to accept or reject my decision before 11 March 2026.

Geraldine Newbold  
**Ombudsman**