

The complaint

Mr N is unhappy with the way Admiral Insurance (Gibraltar) Limited handled a claim made on his travel insurance policy ('the policy') after he lost his phone.

What happened

Mr N lost his phone whilst abroad. After he returned to the UK, he made a claim under the policy.

Admiral ultimately declined the claim. Unhappy, Mr N complained to Admiral. It maintained its position to decline the claim but did accept some service errors. So, it offered Mr N total compensation of £80.

Mr N brought his complaint to the Financial Ombudsman Service.

Our investigator looked into what happened. He concluded that Admiral had fairly declined the claim, but he recommended that compensation be increased from £80 to £180 to reflect the impact of the service errors on Mr N.

Admiral accepted this. Mr N disagreed. So, his complaint has been passed to me to look at everything afresh and 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.

That includes all points made by Mr N. However, I won't respond to each of these. I hope he understands that no discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as we are an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I haven't. I'm satisfied I don't need to comment on every point to fulfil my statutory remit.

In considering what's fair and reasonable in all the circumstances of the case, I've taken into account all relevant law and regulations, regulator's rules, guidance and standards, codes of practice and good industry practice at the relevant time. That includes Admiral's regulatory obligation to handle insurance claims fairly and promptly – and to not unreasonably decline a claim.

The decision to decline the claim for the lost phone

Subject to the remaining terms and conditions, the policy does provide gadget cover. Admiral will pay:

Up to the policy limits shown in the policy schedule if any gadget you own is lost, stolen or damaged accidentally...during your trip.

The policy definition of gadget includes mobile phones.

There are claim requirements set out in the policy terms including:

If you are claiming for lost or stolen gadgets...you must do the following:

- Report the loss or theft to the police within 24 hours of discovering it and get a police report. All items you are claiming for must be listed on the police report.

If you cannot provide a written police report within 24 hours, you must provide a reasonable explanation for this and proof of the loss or theft. If we don't find your explanation or proof satisfactory, we won't accept your claim.

Mr N has explained why he didn't report the loss of his phone to the police at the time. He says he did report the loss to a driver and, subsequently, to the hotel reception. As the loss took place whilst he was on an excursion – and not whilst at the hotel – he says the hotel didn't assist further.

I'm satisfied that Admiral acted fairly and reasonably by saying that it would consider something in writing from those who Mr N says he reported to the loss of his phone to at the time to confirm that he did report it during the trip (and within 24 hours of the loss occurring).

Mr N provided a screenshot of an email from a named individual which says:

...To whom [sic] may concern. I believe that [Mr N] travelled to [name of city] for one day trip. Unfortunately, he lost his mobile phone on [date]. I am sure that I'll give this a correct statement on his behalf...

I'm satisfied that Admiral has fairly concluded that this statement isn't sufficient to support that the loss of the phone was reported within 24 hours. And the statement doesn't say who the individual was.

Mr N said that Admiral could contact the individual to obtain more information from them if needed. However, it's for Mr N to establish his claim under the policy. And I don't think it's for Admiral to follow up the statement on Mr N's behalf. Mr N was free to do that but didn't. So, based on the evidence available to Admiral at the time, I'm satisfied that it acted fairly and reasonably by declining the claim for Mr N's lost phone.

The way the claim was handled

I'm satisfied that when making the claim, Admiral told Mr N the evidence it needed in support of his claim. That included a copy of the police report or a report from who he reported the loss/theft to.

So, I'm satisfied that Mr N was reasonably made aware of the evidence he needed to provide to support his claim. As stated above, it's also set out in the policy terms and conditions.

Mr N says that Admiral delayed initially progressing his claim. Mr N did contact Admiral to see whether it had received the documents in support of his claim. It explained that Mr N had sent these to an email address which wasn't monitored. I'm satisfied that Mr N had been asked to upload the documents to the portal and a link was provided. Mr N had been told not to reply to the email as the inbox wasn't monitored. So, I don't think it would be fair to hold Admiral responsible for this initial delay.

Admiral accepts that it could've been clearer about what information it needed from Mr N as the claim progressed.

I've also listened to recordings of calls Mr N had with several of Admiral's representatives after making his claim. I'm satisfied that Mr N was, at times, given inconsistent information which would've been confusing.

Further, during one call, Admiral accepts that Mr N was also told that a provisional settlement would be raised for approval even though Admiral was still awaiting the loss report. That was incorrect and unfairly raised Mr N's expectations that the cost of the lost phone would be covered. When he discovered that the claim wouldn't be paid and Admiral needed more information, I can understand why Mr N was upset and frustrated.

I don't think these errors mean that it would be fair and reasonable for the claim to be covered outside the terms of the policy. However, I do think Admiral should pay compensation to reflect the distress and inconvenience these errors caused Mr N.

Admiral has already offered £80 compensation. I don't think this is sufficient to reflect the distress and inconvenience he experienced. I'm satisfied that Admiral should pay Mr N £180 total compensation.

My final decision

I partially uphold this complaint to the extent set out above. I direct Admiral Insurance (Gibraltar) Limited to pay Mr N £180 compensation for distress and inconvenience (less the £80 it originally offered, if this has already been paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 6 May 2026.

David Curtis-Johnson
Ombudsman