

## The complaint

Mr M has complained that Admiral Insurance (Gibraltar) Limited ('Admiral') declined his claim for fire loss and damage to contents under his home insurance policy. For the avoidance of doubt, the term 'Admiral' includes reference to its agents and contractors for the purposes of this decision.

## What happened

Unfortunately, Mr M's touring caravan was destroyed in a fire in May 2025. It had been parked on Mr M's driveway, and all contents were destroyed, including some high value items. Mr M held a home insurance policy with Admiral at the relevant time and so made a claim for his losses. Admiral declined Mr M's claim as it said that motorised vehicles were excluded from Mr M's contents cover. Mr M was adamant that Admiral initially informed him that these would be covered and then retracted this assurance.

Mr M complained to Admiral about its decision to decline the claim, however Admiral maintained its decision. It did acknowledge that it had provided Mr M with misleading and conflicting information during the claims process and it awarded £150 compensation in this respect. Mr M remained dissatisfied and referred his complaint to this service. He considered that Admiral should settle his claim for over £13,500, as well as paying compensation for the distress and inconvenience caused. The investigator didn't uphold Mr M's complaint, as it was her view that the claim was excluded from cover. However, she considered that compensation of £300 provided a fairer reflection of the impact of Admiral's service errors.

Mr M was unhappy about the outcome of his complaint, and the case was referred to me to make a final decision in my role as Ombudsman. I issued a provisional decision in March 2026 as follows:

*'The key issues for me to determine are firstly whether Admiral applied the terms and conditions of the relevant policy in a fair and reasonable manner in declining Mr M's claim. Secondly, [I must determine] whether it acted in a fair and reasonable manner in relation to the compensation it offered for acknowledged service errors. On a provisional basis, I consider that Admiral acted unfairly or unreasonably [...], and I'll explain why.*

*In reaching this decision, I've carefully considered the detailed submissions of the parties, as summarised below. I turn firstly to Mr M's submissions. In relation to the background, Mr M said that the caravan had returned from a weekend trip and the contents were stored in there temporarily. When he reported the loss, he said that Admiral's agent explicitly stated that the loss was "definitely covered" and instructed Mr M to compile a detailed loss list. As a result, he spent days sifting through dangerous wreckage. He said that Admiral then changed its position, firstly classifying the claim as being for garden contents with a maximum claims limit of £2,500, and then relying upon the motorised vehicle exclusion to decline the claim. He said that Admiral didn't specify any policy exclusion for the contents of a vehicle, albeit the policy had £1,000 cover for 'theft from motor vehicle', as well as cover for 'contents temporarily away from home for up to 90 days.' He said that the contents were effectively in a storage container after a weekend trip, and he questioned why, if contents stolen from a vehicle on his property were covered,*

*why contents destroyed in a vehicle on his property would not be covered.*

*Mr M made it clear that he wasn't claiming for the loss of the caravan itself, as he accepted that the caravan was a motorised vehicle and excluded from the policy, but he was claiming for the contents of the caravan when it caught fire. In conclusion, he said that Admiral's approach had caused him significant stress and frustration due to its contradictory advice and multiple instances of misinformation. He said that 'the number of errors itself demonstrates systemic ambiguity and has caused repeated distress'.*

*I now turn to Admiral's response to Mr M's complaint. It noted that it had initially wrongly classified the caravan's contents as garden contents, and that it had then relied upon the motorised vehicle exclusion. It therefore apologised for the confusion caused. It didn't agree however, that it promised that Mr M's claim would be covered, although it had [initially] been unable to find evidence to prove this.*

*As for the terms and conditions of the relevant policy, it said that the policy clearly stated that caravans were classified as motorised vehicles and were excluded from cover. It said that this also applied to the contents of caravans. On review, Admiral did agree that its representative had made a mistake about its stance regarding the contents of the caravan and it upheld Mr M's complaint in this respect, and increased its compensation offered from £50 to £150.*

*I now turn to my reasons for partly upholding Mr M's complaint on a provisional basis. The starting point for such complaints will be the terms and conditions of the relevant policy which form the basis of the insurance contract between the insurer and its customer. In this case contents are covered by the policy in principle in the event of fire. The salient definitions can be summarised as follows. Firstly, 'Contents' are defined as 'Household goods, high-risk items and personal belongings which you or your family own or are legally responsible for...but not including... Motorised vehicles.' Mr M accepts that as the definition of 'Motorised vehicles' specifically includes caravans and that the caravan itself wasn't therefore, covered in the event of fire.*

*The 'Home' is defined as 'The main buildings you live in and their outbuildings, all of which are within the boundaries of the address shown in your policy documents and are used for private and domestic purposes only.' 'Outbuildings' are then defined to be 'Permanent and immovable structures that are within the boundaries of the address shown in your policy documents, are used for private and domestic purposes only, and cannot be lived in.' I'm satisfied that the caravan doesn't meet the definition of an outbuilding. The policy also states, 'Structures that are not permanent or can be moved, such as mobile homes, caravans or motor homes, are not covered'.*

*Mr M stated that he lost certain items which would comprise of 'High-risk items' as defined in the policy, including 'Any type of audio-visual, photographic or sporting equipment...Any computer, laptop, mobile phone, tablet and electronic notebook.' The policy goes on to state in relation to high-risk items that such single unspecified items worth more than £2,000 must be specified to be covered to their full value. No such items had been specified in this case. Mr M argued that the contents were at his home, and specifically on his driveway, which he said the policy defined as being part of the 'Buildings' and he argued that these were also part of the 'Home'. I've therefore also looked at the definition of 'Buildings' which states; 'Your home and its permanent fixtures and fittings, including the following...Drives...'*

*The key issue however relates to the contents of the caravan. I have no doubt that some of the contents destroyed in the fire do meet the policy definition of 'Contents'. The crux of the issue however is whether the contents of an uninsured structure are themselves covered by the policy. The policy document does not specifically deal with this issue, and I agree with Mr*

*M that the exclusion of the caravan from cover 'does not create a separate exclusion for any contents that happen to be inside a motorised vehicle.'*

*Mr M questions why contents in a vehicle on his property would be treated differently from contents stolen from a vehicle. However, I must focus on the question of the specific insured peril, being fire in this instance. The wording of the policy in relation to one peril cannot necessarily be translated across to the treatment of a different peril under the policy.*

*Nevertheless, Admiral acknowledged that it changed its position in relation to cover, and as to the provisions which applied, and this does suggest a degree of ambiguity in the wording of the policy. In the absence of specific telephone recordings or other evidence, I've no reason to doubt Mr M's version of events that Admiral initially indicated that the event was covered. It's therefore clear that Admiral initially accepted that the contents were covered in principle, but subject to the relevant limitation of cover, being £2,500. Admiral doesn't subsequently explain in detail why it moved away from this position.*

*Whilst there is cover for 'Garden Contents' in the policy, and this refers to 'Loss of or damage to your or your family's contents while they are kept in the open on the land that your home stands on', ultimately, the policy doesn't envisage a scenario where contents of a car, caravan or moveable structure are destroyed within the boundaries of the insured's property. Whilst the contents here weren't 'kept in the open' using the ordinary meaning of the phrase, neither were they treated as being kept in an outbuilding as defined, however they were being stored on the premises. The fact that the policy does cover theft from a vehicle at home shows that the policy does envisage a scenario where cover exists for the contents of a vehicle, albeit where the vehicle itself isn't covered.*

*In the circumstances, whilst the policy doesn't specifically mention cover in the scenario where the contents of a vehicle [...] are destroyed by fire, neither does it exclude cover in this scenario. I've noted that the claims limits specified in Mr M's policy schedule are as follows. Contents temporarily away from home are limited to £11,250. Contents stolen from garages and outbuildings are limited to £5,000, contents stolen from motor vehicle are limited to £1,000 and garden contents are limited to £2,500 without being linked specifically to theft alone.*

*I appreciate Mr M's argument that a specific claims limit applies to theft from a car and that [...] as there is no equivalent specified limitation for fire damage to contents in vehicles, [he...] states that standard contents fire cover should apply. However, I'm satisfied that a fair and reasonable interpretation of the policy is as follows. The policy limits a claim for loss within the grounds of the home and appears to recognise the additional risk where contents are left within vehicles or out in the open. Whilst I appreciate Mr M's argument that the contents 'should have equal or better protection than contents temporarily away from home', [...] the policy specifically provides lower maximum limits for contents stored in outbuildings or within the garden of a property.*

*In conclusion, whilst the policy doesn't clearly specify that claims for fire-damaged contents left in cars are limited to £1,000, neither does it specify that claims for such fire-damaged contents will be treated as having been 'garden contents' and as such, 'kept in the open' for the purposes of the policy. On a provisional basis, and in the absence of specific treatment of this issue in the policy, I consider that the loss aligns most closely with the definition of 'garden contents', so that the £2,500 claims limit should apply. During the claims process, Admiral had also initially interpreted the policy in this way.*

*On a provisional basis therefore, I now expect Admiral to re-consider and if appropriate process the claim on this basis, subject to validation and subject to the remaining terms and conditions of the policy. I appreciate that the fire in itself will have caused trauma and*

*distress to Mr M, and I do consider that Admiral's handling of the matter will have added to the distress and inconvenience experienced by Mr M, especially as he was led to believe that the claim would be processed. He felt that he was encouraged to spend considerable time and effort to assist in validation of the claim. Nevertheless, I also appreciate that the wording of the policy presented some challenges, and that Admiral's altered reasoning wasn't wholly without merit. Having said this, this is Admiral's policy and as such, is responsible for addressing such ambiguity.*

*In the circumstances, I consider that an increase in the compensation payable would be appropriate, and I provisionally award compensation to Mr M in the total sum of £400.'*

I then provided an opportunity for the parties to provide further submissions and/or evidence in response to this provisional decision.

### **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.

Admiral didn't provide any further submissions or evidence in response to the provisional decision. It was happy to agree to the outcome contained in provisional decision.

Mr M didn't agree with the provisional decision, and in summary, his further submissions were as follows. He welcomed the finding that the caravan exclusion didn't extend to its contents, however, he disagreed with the application of the garden contents limit.

Mr M again referred to the policy definitions of 'Contents', 'Home' and 'Buildings' as per the provisional decision. Mr M said that as the contents were on the driveway, they fell within the policy definition of buildings and the home. As the contents were at home and destroyed by fire, Mr M considered that the policy covered this loss and that standard cover should apply. He also reiterated the point that Admiral hadn't imposed a limit for contents destroyed by fire inside a vehicle at home.

As to the provisional decision's approach to the garden contents limit of £2,500 being the '*closest fit*', Mr M stated that this constructed a limitation in Admiral's favour that didn't exist in the policy, whilst it applied the policy strictly in his case; '*for example, unspecified high-risk items above £2,000 are not covered to their full value regardless of my intention to claim them.*' He therefore felt that the application of a '*sub-limit*' that didn't exist in the policy provided a lenient approach to Admiral which wasn't provided to himself, whereas any ambiguity in drafting should be resolved against the insurance company.

Mr M's argument on this point is clear and well made, and this is a finely balanced final decision. However, I remain of the view that a fair and reasonable interpretation of the policy means that the garden contents limit of £2,500 will apply in this case. The invariable and reasonable industry practice is that cover for loss or damage of contents stored outside the home is considerably lower than for those stored inside the home. This is due to the clear vulnerability to loss of items stored in temporary structures or vehicles. I agree that lack of clarity in policy-drafting will be construed in favour of the customer, and I've done so in this case, as another possible interpretation of the policy may well have been that the lower limit of £1,000 as per theft of items from a vehicle was intended to apply to other losses. Mr M had himself questioned why contents in a vehicle on his property would be treated differently from contents stolen from a vehicle.

I'm similarly satisfied that it would be a strained interpretation to equate storage of items within a vehicle to storage within permanent outbuildings. Non-permanent structures and

caravans are not recognised for the purposes of cover, therefore, in the absence of specific reference to loss by fire of personal belongings stored in a vehicle or temporary structure, I'm satisfied that it's fair and reasonable to construe the facts in favour of the customer. This means that the belongings can be treated as having been garden contents so that the higher limit of £2,500 applies. The high compensation figure recognises the trouble and distress caused by the drafting issues in this policy, and Admiral will no doubt wish to reflect upon the policy wording in view of the confusion in caused.

I appreciate that this will come as a great disappointment to Mr M, and I thank him for his succinct submissions on the point, and for the courteous way in which he has put them forward, however I'm satisfied that the provisional decision provides a fair and reasonable outcome to this complaint.

As for the call recordings, Mr M brought attention to the fact that in a letter from Admiral's Customer Relations Manager dated 26 June 2025, it confirmed that calls had been located which showed that Mr M had been misadvised. I entirely accept this point. I agree that this provides clear written evidence and acceptance by Admiral that Mr M was misadvised.

Finally, I can confirm that I'm satisfied that compensation of £400 reflects the policy drafting issues, and the fact that Mr M was misadvised by Admiral. It also recognises the time and trouble to which Mr M was put in '*working through fire-damaged wreckage to photograph, [to] itemise and evidence the loss.*' Finally, it recognises that Admiral reversed its position on two occasions.

### **My final decision**

For the reasons given above, I partly uphold Mr M's complaint, and I require Admiral Insurance (Gibraltar) Limited to do the following in response to his complaint; -

- To re-consider and if appropriate to process Mr M's claim on the basis that the lost and damaged contents are treated as 'garden contents' for the purposes of the relevant policy.
- To pay Mr M £400 in compensation for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 13 May 2026.

Claire Jones  
**Ombudsman**