

The complaint

Mrs M complains about Admiral Insurance (Gibraltar) Limited's response to a claim made under her home emergency insurance policy.

What happened

The background to this complaint is well known to both parties, so I'll provide only a brief summary here.

Mrs M had a home insurance policy underwritten by Admiral. This covered her home and its contents but also included additional home emergency cover.

On 23 November 2022, Mrs M contacted Admiral to notify them she had a problem. There had been heavy rainfall in the area for several days and damp patches were appearing on the walls inside Mrs M's home – she assumed due to a leak in her roof.

Admiral said they'd assess the claim under Mrs M's home insurance, but also told Mrs M her home emergency cover meant they'd provide a contractor to carry out a temporary fix to the roof.

In short, after a number of failed calls, contractors not turning up and a large amount of chasing by Mrs M to try to get things sorted, a visit still hadn't been arranged. So, Mrs M found a roofer herself.

He carried out an inspection on 25 November 2022. And then began work to provide a permanent repair to the roof on 6 December. In the meantime, Mrs M had tried again to get hold of Admiral's contractors but gave up on or around 1 December 2022.

Admiral declined Mrs M's claim under her home insurance cover. They said the damage had not been caused by an insured event (a storm). Mrs M has made a separate complaint to Admiral - and then to us - about this, but we decided that Admiral hadn't acted in any way unfairly or unreasonably in declining the claim.

Mrs M also made a complaint to Admiral about their response to her home emergency claim. Admiral's agents upheld the complaint. They said in essence that there had been delays and confusion in appointing contractors and in contractors then contacting Mrs M. This included contractors being given the wrong phone number for Mrs M. And they paid Mrs M £50 in compensation.

Mrs M wasn't happy with this outcome and brought her complaint to us.

She says the condition of the roof deteriorated significantly between around 25 November 2022 – when Admiral's agents ought to have attended to carry out a temporary fix which would have prevented further ingress of water through the roof – and 6 December when her own contractor started the repairs.

She says that meant her bill for the repairs went up from £1,960 to the £6,000 she had to pay her own roofer to repair the damage. She wants Admiral to pay the difference (£4,040)

because, she says, it was their failure to respond properly to the home emergency that led directly to the further damage between 25 November and 6 December 2022.

She says she had to keep the heating on in her house permanently during the relevant period (23 November to 6 December 2023) to guard against further damp in the house. Which meant her utility bills increased. And she told us she'd hired dehumidifiers for four weeks at a cost of £252.

Mrs M says the whole experience has been difficult, inconvenient and stressful. She had to deal with the claim herself due to her husband's illness, making many more calls than ought to have been necessary and ultimately not getting the service Admiral had promised. Her stress and worry was exacerbated by the fact that damp and cold would make her husband's illness worse.

Our investigator looked into it and thought Admiral had acted unfairly towards Mrs M. He took the view that Admiral should pay the extra repair costs (the £4,040), pay the £252 Mrs M had spent on dehumidifiers, pay any additional heating costs Mrs M had incurred and pay a further £100 in compensation to Mrs M for her trouble and upset.

He said the first three of those payments should be dependent on Mrs M providing invoices, receipts or other proof of payment and/or properly evidencing the increase in her heating bills.

At that point, Admiral offered to pay a total of £1,000 to Mrs M. This would cover a heater allowance, a temporary accommodation allowance, increased compensation and £500 to reflect the likely cost of the temporary repair they ought to have carried out.

However, Admiral did not accept that they should pay the £4,040 difference between the cost of repairs Mrs M said would have been necessary on 25 November 2022 and those she eventually paid for on 6 December 2022.

Mrs M wasn't happy with Admiral's offer. Although when we confirmed that she'd have to provide receipts or invoices for the dehumidifiers, she withdrew that part of her complaint.

Our investigator then told Admiral he still thought they should pay the difference in the repair costs, the increased heating costs and the additional £100 compensation for Mrs M's trouble and upset.

Admiral disagreed and asked for a final decision from an ombudsman.

I agreed with our investigator that the complaint should be upheld. But I disagreed about what Admiral needed to do to put things right for Mrs M. So, I issued a provisional decision. This gave both Mrs M and Admiral an opportunity to provide further information or evidence and/or to comment on my thinking before I made my final decision in this case.

My provisional decision

In my provisional decision, I said:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I'll start by setting out what I think should have happened after Mrs M called Admiral on 23 November 2022. This will help set the context for the rest of my decision.

On 23 November, Admiral rightly said they'd assess the home insurance claim. And they rightly referred Mrs M across to their home emergency line, so that she could get assistance from them in temporarily stopping the leak and preventing the damage from getting worse.

In Mrs M's related complaint, we've already said Admiral didn't act unfairly or unreasonably in later declining the claim for the repairs to the roof. I can't go into that again here and I can't second guess or overturn that outcome. So, Admiral were not obliged to pay for the repairs to Mrs M's roof, as it turned out.

Under the home emergency section of her policy though, Admiral accept they ought to have dealt with Mrs M in a courteous and timely manner, answering her queries in full and at the time she made them. They should also – within a few days at most – have had a contractor attend the property to make temporary repairs to the roof.

None of those things happened. The customer service provided to Mrs M by Admiral's contractors was poor. And there were avoidable delays and confusion about who might attend and when. And Mrs M – perfectly justifiably in all of those circumstances and given the time that had passed – had to have her own roofer attend to repair her roof.

So - and I don't think there's any real dispute about this – Admiral haven't treated Mrs M fairly and reasonably. Their customer service was poor, and they didn't do the temporary repairs when they should have. And they need to do something now to put that right.

Admiral didn't make temporary repairs to Mrs M's roof when they were obliged to do so. They say those repairs would likely have cost them up to £500. And they've said they're willing to pay that amount now to contribute to the costs Mrs M has incurred. I think that's fair and reasonable.

They've also said they'll pay Mrs M a further £500 to cover compensation for her trouble and upset, plus heating costs and an allowance they would have paid for alternative accommodation.

We said Admiral should pay £150 in compensation for Mrs M's trouble and upset. That is, the inconvenience, frustration and stress she was caused by their failures to provide the service she had a right to expect and for which she's paid her insurance premiums. And we said they should also pay the extra heating costs Mrs M had incurred in the period between 23 November and 6 December 2022.

We said Mrs M should provide evidence of her extra heating costs to Admiral, but given Admiral's offer to pay £1,000 in total, I don't think that's now necessary to bring this complaint to a satisfactory conclusion.

The £1,000 comprises the £500 the temporary repairs would have cost. Plus, an additional £100 that we thought would cover Mrs M's trouble and upset. Leaving £400 to cover extra heating and/or any other costs Mrs M incurred to keep her house as warm and dry as possible in the relevant period.

We haven't seen Mrs M's heating bills, but I imagine that £400 is more than adequate to cover those costs and any others she incurred in the period in question (including the dehumidifier costs Mrs M says she incurred but can't evidence).

So, in summary, I think £1,000 is fair and reasonable compensation for Mrs M's

trouble and upset plus her additional costs. And I'm minded to ask Admiral to pay that amount to Mrs M at the conclusion of this complaint.

This would obviate the need for any forensic, time-consuming and possibly disputatious analysis of the heating bills – and/or other costs - and how much they'd increased due solely to Admiral's failure to carry out temporary repairs to the roof.

If either party thinks this is an unreasonable settlement of this part of the complaint, they can explain why in their response to this provisional decision.

This leaves only one further issue. Mrs M says her roofer's bill increased from the £1,960 it would have been had Admiral carried out effective temporary repairs to prevent further water ingress by 25 November 2022 (or thereabouts) to the £6,000 it eventually cost her in total.

On the face of it - and given that there are some fixed costs (for example, scaffolding) which would remain the same whenever the repairs were carried out – it's not immediately apparent how and why so much additional damage would be done to the roof itself as a result of the leak not being addressed for around two weeks.

Mrs M hasn't provided any itemised invoice for the work carried out on 6 December by her roofer. We asked her to do so after the case was referred to me for a final decision.

And we also asked her to get a statement from her roofer to detail how and why the work he carried out was much more significant (to the tune of adding over £4,000 to a bill of under £2,000) because of the relatively short delay in between 25 November and 6 December 2022.

The roofer provided Mrs M with an "estimate" for the work which would have been necessary had he repaired the roof immediately after he first inspected it on 25 November 2022. This was in the form of an email to Mrs M. It contained no great detail. And it was composed five or six months after the roofer first visited the property.

That hypothetical estimate is worth quoting in full. The roofer said (I've corrected some minor typos):

"Roof repairs will be needed to front and rear of roof area due to driving wind and rain which has caused damage to tiles and existing felt, which has caused rain to enter loft space and make its way through ceiling. Works would be carried out to strip back both areas and repair with new felt, latt and replace with new Marley tile to match existing. Scaffolding will be erected to one side of property also to gable side for safety. All materials and labour will be included in cost. Total £1960."

As I've said, there is no invoice for the work carried out on 6 December 2022. That in itself causes me some concern about the validity and/or weight of the evidence being presented by Mrs M.

When it comes to the repairs actually carried out – and why they were so much more significant and costly – all we have is an email from Mrs M herself reporting what the roofer said to her. In Mrs M's own words, he said:

"When I stripped back the damaged areas, the continued rain that entered the

roof and property had caused damage to the felt, sagging it, leaking water across larger spaces, damaging the inner roof, and walls. Therefore, the roof had to be stripped across front and back to replace the damaged felt, larger spaces needed repairing costing more, putting up the costs. When lifting the tiles, they had to replace the broken tiles. Damaged rafters due to the water penetration. If the work had been done sooner the damage would not have been so excessive".

If I take this account of what the roofer said at face value, there remain a number of obvious questions about the roofer's version of events.

One – in the "estimate" for the work necessary on 25 November 2022, he says repairs include new felt. He then says – according to Mrs M (as quoted above) that the need to replace the felt is one of the reasons for the increase in the eventual costs. At first sight, that makes little sense.

Two – he says one of the increased costs is replacing broken tiles. But I assume that would have had to be done in any case, whether the work was carried out on 25 November or 6 December 2022. There's no reasonable way to suggest that it was Admiral's failure to provide a temporary repair that led to more tiles being broken on the roof.

Three – and this is possibly the most significant potential cause of any increased cost – the roofer says that rafters needed to be replaced because the roof had been left exposed to more rain in the two week period between the claim being made and the repairs being carried out.

It is extremely unlikely that rafters which were sound on 23 November 2022 needed replacing because they'd been exposed to water for two weeks. Rafters don't rot – or suffer any significant damage - that quickly.

If the rafters were indeed rotten or damaged through damp, it's much more likely this would have been a gradual process. In the other complaint Mrs M made, we established that it wasn't unreasonable for Admiral to conclude that the weather immediately prior to the damp inside her house being spotted by Mrs M had not been the cause of the damage.

It follows that the roof must have been susceptible to leaks before then and/or had smaller leaks which didn't have the same impact inside the house, possibly due to wear and tear and/or gradual deterioration over time.

In which case, it's likely that any rotten or damaged rafters were in that state before 23 November 2022 – possibly as a result of on-going water ingress through the roof tiles.

In summary, given the evidence I have in hand at present, I can't reasonably conclude that Admiral's failure to carry out temporary repairs led to additional damage to Mrs M's property such that an increase in repair costs of around £4,000 could be explained or justified.

If Mrs M has further information or evidence to justify her position on the cost of those repairs, she has a chance to provide it now in response to this provisional decision.

I'm minded as things stand then to require Admiral to pay Mrs M £1,000 in compensation for her trouble and upset and to cover additional costs she incurred whilst her roof was open to the elements between 25 November and 6 December 2022.

However, I disagree with our investigator about the alleged additional damage to the roof which occurred between those dates. And at present I'm not minded to require Admiral to pay Mrs M the difference in the estimated costs on 22 November and the actual cost of the repairs carried out on 6 December 2022 – or any part of it."

So, my conclusion was that I was minded to require Admiral to pay Mrs M £1,000 in total, as per the offer they made during our investigation.

The responses to my provisional decision

Admiral haven't responded to my provisional decision. I assume that's because they agree with it. It is, after all, in line with the offer they made.

Mrs M responded at some length. I'm sure Mrs M will understand that I won't reproduce her arguments word for word here, but I'll set out below the essence of what she said.

Mrs M says her property has always been well maintained. And the weather data Admiral used to assess her claim - and that we used when we looked into her complaint – was from a weather station at some distance from her home and at a lower altitude.

She says her roof was damaged extensively by the bad weather at the relevant time, but that was because the initial damage – creating a weak spot in the roof – wasn't addressed quickly. She reiterates that Admiral's home emergency contractors didn't attend immediately – and indeed hadn't visited the property up to two weeks later, when she felt it was best to get her own contractor to carry out repairs.

Mrs M says that at that point, she had little effective choice about the contractor – because many local contractors were busy due to the bad weather – or about the scale of the repairs. She had to make a quick decision and had the roof replaced in its entirety. She still feels that wouldn't have been necessary if Admiral had carried out temporary repairs soon after she made her claim to them.

Mrs M says she's tried repeatedly to get more concrete, written information from her roofer about the repairs he carried out and why they were so much more extensive after the delay. But the contractor has provided only the hypothetical estimate for the repairs as they would have been had he attended soon after the initial damage occurred. And then told her verbally why the repairs cost so much more when they were actually completed.

Mrs M says that, even if we accept Admiral don't have to pay for the repairs to the roof in full, my calculations about what she ought to be paid are wrong. I said £1,000 was fair and reasonable to cover Mrs M's additional costs and her trouble and upset.

She says her total losses were actually £1,720.67. She breaks this down as follows.

Mrs M says her gas and electricity for the four weeks immediately after the claim was made cost £232.41. She says she had this confirmed by her supplier.

She says the temporary repairs would have cost £960 rather than the £500 Admiral say it would have cost them. That's the roofer's hypothetical estimate of £1,960 less £1,000 for scaffolding costs.

She says because Admiral didn't respond properly to her claim, she should be reimbursed the £260.54 it cost her to pay the premiums for the year.

And she says the cost of phone calls, emails and the time she spent on them is £267.59.

So, in summary - £232.41 gas and electricity costs, plus £960 for the temporary repair, plus £260.54 for the policy premiums, plus £267.59 for her time and phone and email costs, comes to a total of £1,720.67.

Mrs M doesn't say so explicitly, but those losses would be in addition to any compensation for her trouble and upset – which we said was fair at a further £100 to add to the £50 already paid.

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.

As I said in my provisional decision, I can't go back and re-open the previous complaint Mrs M made about Admiral declining her claim under her home insurance cover.

Our view on that complaint was that there wasn't a storm and so it was not an insured event that caused the damage to Mrs M's roof. That's not up for debate now, so Mrs M's points about the location of the nearest weather station aren't relevant to the complaint I'm now considering. Nor is Mrs M's assertion that her property is – and has been - well-maintained.

I understand Mrs M's argument that the damage to her roof was initially quite small but that it became much more extensive due to the continuing bad weather *because* the initial damage created a weakness which allowed the wind and rain to get into the rest of the roof and impact on it.

However, there's no real evidence to back that theory up. The roofer's hypothetical estimate and later verbal comments are given so long after the events that they're little more than conjecture.

And in any case, even if that conjecture is right, it doesn't really support Mrs M's theory about the damage. As I said in my provisional decision, if the rafters needed repairing or replacing because they were rotten, that's very unlikely to have been – so soon afterwards - the result of two weeks' ingress of water alone.

In short, Mrs M is in effect asking Admiral to pay for a complete roof replacement (which wouldn't be covered under her home insurance, as we established when considering the previous complaint).

That's because, in her view, an entire roof replacement was only necessary because the roof was left for two weeks with initially minor damage which got worse only because it wasn't rectified in good time.

I bear in mind that according to the outcome of the previous complaint, that initial damage occurred during weather which did not constitute a storm - and so would not be expected to cause any structural damage to an otherwise sound building.

So, Mrs M wants Admiral to pay most of the cost of an entire new roof, to replace one which was at the time not robust enough to withstand weather which fell some distance from being reasonably defined as a storm.

I hope Mrs M will understand why I can't reasonably justify making Admiral pay for her roof replacement on the basis of the evidence we have. And if that evidence is lacking because Mrs M's roofer has been unwilling or unable to set out a proper justification for the repairs carried out or to explain why they became necessary, that's not Admiral's fault.

I'll turn now to Mrs M's assessment of the costs she's incurred because of Admiral's failure to respond properly under the terms of the home emergency sections of her policy.

Admiral say the temporary repairs would have cost around £500 and they're willing to make that contribution to Mrs M's overall repair costs.

I'm not sure why Mrs M has taken out the scaffolding cost from the hypothetical estimate provided by her roofer for the repairs if they'd been carried out immediately. I assume the roofer thinks a scaffold would have been necessary to do those repairs.

Leaving that aside, I frankly don't find that estimate in any way convincing. It was produced six months after the fact, to cover repairs that were never now going to be carried out. The estimate is brief, un-itemised and appears to be in some degree of conflict with the later verbal account of the repairs which were actually carried out.

It's also, to be clear, an estimate for permanent and lasting repairs – at the time and in the assumed circumstances – and not for a temporary repair to provide a brief period of protection until the permanent repairs could be made.

So, I remain of the view that Admiral's estimate of £500 costs for temporary repairs is more reliable and much more likely to be accurate, especially given Admiral's – and their contractors' – experience of carrying out such temporary repairs in other cases.

Mrs M appears to have found out – and relayed to us – the total cost of her gas and electricity for the month or so after the event. I'm sure Mrs M will understand why I can't reasonably ask Admiral to pay that total amount given that she would have spent money on gas and electricity in the relevant period whether or not her roof had been damaged.

I don't agree with Mrs M that Admiral should also reimburse her policy premiums. She has had insurance cover for the year in question. The fact that one claim was declined doesn't alter that fact. And indeed, in this very decision, I'm in effect presuming that the emergency cover part of the policy responds to Mrs M's claim under that section.

I'm not sure what additional cost of emails has been incurred by Mrs M in having to deal with Admiral over her claims. She would always have incurred some phone costs and she would always have had to spend some time dealing with Admiral in order to make her claims, even if Admiral had responded perfectly to her home emergency claim.

I don't know what calculation Mrs M is using to work out how much her time spent dealing with this matter is worth. However, I can say that we don't directly have businesses pay for a customer's time spent on unnecessary phone calls or communications.

We *do* take a view of the degree of inconvenience experienced by customers as a result of businesses' errors – and that inconvenience includes having to make unnecessary phone calls. In this particular case, that's reflected in the compensation we've said Admiral should pay for Mrs M's trouble and upset resulting from their errors in handling her claim.

Putting things right

In summary, for the reasons set out above, I'm still of the view that Admiral should not be

made to pay the difference between the amount Mrs M says she would have had to pay on repairs had they acted in a timely manner in response to her claim, as against the amount she eventually had to pay.

Again, for the reasons set out above, I'm also not convinced by Mrs M's arguments about the costs she incurred because of Admiral's failure to respond properly to her home emergency claim.

I'm not going to ask Admiral to refund Mrs M's premium. I'm not going to ask them to pay in full for Mrs M's gas and electricity bills. And I remain of the view that Admiral's estimate of the temporary repair costs (£500) is reasonable.

So, as I said in my provisional decision, I'm satisfied that a payment of £1,000, as offered by Admiral, will cover the hypothetical temporary repair costs (£500), a further £100 in compensation for Mrs M's trouble and upset – including the inconvenience of having to contact Admiral and others more than she ought to have had to do – and any additional costs she incurred for heating and/or anything else she did to protect her property before she had the roof fixed.

My final decision

For the reasons set out above and in my provisional decision, I uphold Mrs M's complaint.

Admiral Insurance (Gibraltar) Limited must pay Mrs M a further £1,000, as per the offer they made during the course of our investigation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 15 December 2023.

Neil Marshall
Ombudsman