

## **The complaint**

Mr C has complained about the way Acromas Insurance Company Limited handled a claim he made under a home and buildings insurance policy he shares jointly with Mrs C.

Mr C's daughter Mrs B is representing Mr C in his complaint.

All reference to the insurer Acromas in my decision includes its agents.

## **What happened**

Mr C discovered water damage to his bathroom ceiling and in October 2022 he called Acromas. He had sought assistance from a leak detection company and they hadn't found any internal leaks to the property, but said the leak detection agent believed the water may be coming from the roof caused by storm damage.

Acromas said it wouldn't consider Mr C's claim for storm damage as no storm conditions occurred in the month up to when he called. It said Mr C would need to pay an excess as part of making a 'trace and access' claim to identify the leak. Acromas said it could consider an accidental damage claim under the policy. Mr C didn't agree to pay the excess and so in January 2023 the claim was closed.

In February 2023 Mrs B contacted Acromas on behalf of Mr C and asked for the claim to be reopened, which Acromas did as the excess was paid. Acromas sent a leak detection company to Mr C's home - and they reported that they couldn't identify any internal leaks.

Mrs B was unhappy about this as she said she'd asked for the roof to be inspected. Acromas agreed to arrange for a Surveyor to inspect the roof.

Following the Surveyor's report, Acromas declined the claim. It said that no storm conditions had occurred around the time Mr C said the damage occurred, so no insured event had happened. It said having arranged an inspection of the roof, the water ingress was due to a gradual decline of materials.

Acromas said it could cover a claim for internal damage to the bathroom ceiling as accidental damage. For this it offered a cash settlement.

Mrs B complained to Acromas. She said she was advised in a call that Acromas would arrange for an inspection of the roof, but would also refund the excess. Mrs B was unhappy as Acromas said it had reviewed the key call and the agent hadn't agreed to refund the excess.

Acromas didn't uphold the complaint. So Mrs B asked us to look at Mr C's complaint. She said Acromas didn't make it clear before the claim was made that it would only cover the internal damage under the accidental damage part of the policy. She said the damage is minimal and Mr C wouldn't have made a claim under the policy for it, had he been given clearer information.

Mrs B says Acromas has failed to provide her with a recording of the key call, but has provided recordings of other calls she had with it.

Our Investigator didn't recommend the complaint should be upheld.

Mrs B didn't agree.

I asked Acromas to provide a recording of the key call, which it did. It's clear the agent said she would ask if she could arrange for a refund of the excess. It wasn't confirmed that a refund would be given. A copy of the key call recording has been sent to Mrs B along with my final 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.

Mrs B says there are a number of inaccuracies which she wants to correct. I have summarised the relevant points below.

- Mr C didn't tell Acromas he initially thought the damage might have been caused by steam from the bath. She says Mr C hardly uses the main bathroom as he has an ensuite.

This information is recorded in Acromas' notes of a call Mr C made on 3 October 2022. In any event, it doesn't make a difference to the outcome.

- The leak detection agent appointed by Acromas referred to staining damage to the lounge ceiling. This is separate to Mr C's enquiry.

I agree. It was part of the leak detection agent's report - but it doesn't make a difference to the outcome.

- It wasn't the first leak detection agent who advised Mr C there was a lead pipe leaking from the bathroom. Mrs B says it was Acromas that made this discovery.

Acromas' file notes show the following entry from a call with Mr C on 18 October 2022:

*"PH has advised it is a lead pipe in the bathroom ceiling that is leaking"*

It's not clear to me how Acromas could have informed Mr C of the cause of damage at this stage as it didn't instruct a leak detection agent until March 2023. So I think on balance it's more likely than not that Mr C gave Acromas this information. However, it doesn't change the outcome.

- Mr C hasn't been treated fairly by Acromas. Mrs B says it pursued a claim for an internal leak detection when it was asked to consider a claim for external roof issues.

This is the crux of the complaint. So I've carefully considered what Acromas did when it was notified of damage to Mr C's property and whether it acted in a fair and reasonable way.

Insurers provide cover for specific insured events such as storm, flood or fire. These are sudden unforeseen events. It's reasonable to expect a property that is well maintained to withstand poor weather.

Insurers don't provide cover for every eventuality, so it isn't unusual to find exclusions under an insurance policy for damage that occurs gradually or through wear and tear.

Mrs B contacted Acromas in February 2023 as she wanted Acromas to re-open the claim. She says she wanted Acromas to arrange for Mr C's roof to be inspected.

Acromas agreed to re-open the claim on provision that Mr C paid the excess for a claim at £350. Acromas says it did this under the 'trace and access' section of cover under the policy.

Mrs B says she asked for the claim to be re-opened for Acromas to consider damage that was coming from the roof, as Mr C had already paid for a leak detection agent to find if the

leak was coming from any pipes. She says Acromas didn't tell her any roof damage wouldn't be covered under the policy until after the excess was paid.

I think there has been some confusion. I think Acromas reopened the claim for trace and access as it was originally set up - and so the excess of £350 applied for this.

I agree with Mrs B that - if Acromas was clear that no storm conditions had occurred around the time Mr C noticed the damage - then it follows - and Acromas' notes of its discussions with Mr C support this - Acromas would have declined a claim for storm damage to the roof irrespective of an inspection of it.

However, as Mr C held accidental damage cover under the policy - and the damage being claimed for inside the property was reported as being caused by an escape of water, I can't say Acromas treated Mr C unfairly in asking for the excess to be paid in order to attempt to trace and access the source of the leak.

I understand Mrs B's comment that because the internal damage cash settlement is minimal, Mr C wouldn't have made a claim under the policy. But Acromas' notes show that it discussed Mr C's accidental damage cover with him on 3 October 2022 and 18 October 2022. Acromas advised Mr C that it would not meet a claim for storm damage due to there being no evidence of storm conditions at the time the damage occurred. So it logged a claim for accidental damage. As Mr C didn't pay the excess, Acromas closed the claim in January 2023.

I appreciate that Mrs B is unhappy that Mr C paid an excess under the policy of £350 for a claim. From listening to the key call between Mrs B and Acromas, I think Mrs B believed that damage to the roof might have been caused by a storm, even if the damage wasn't immediately visible. As I've said, I think it was reasonable for Acromas to have applied an excess, as Mrs B wanted Acromas to consider Mr C's claim.

The amount paid of £350 is the correct excess for the claim Acromas accepted. And Acromas has made a cash settlement offer for the internal damage. In order for an insurer to settle a claim for internal damage, it needs to be satisfied that the cause of the damage has been identified and put right - otherwise there will be ongoing damage.

Acromas offered as a goodwill gesture to provide a refund for the excess paid of £150, which Mrs B declined.

As Acromas properly considered the claim when it was re-opened - and arranged for Mr C's roof to be inspected in light of any confusion caused when it re-opened the claim - I think its offer to provide a partial refund of the excess paid is a fair outcome.

I've listened to the key call where Mrs B says Acromas agreed to refund the excess paid. This isn't what the agent said she would do. Acromas' agent said she would *ask* if she could arrange to get Mr C's excess back and asked Mrs B to call back in a couple of days.

### **My final decision**

My final decision is that Acromas has done enough to resolve the complaint. It should provide a partial excess refund of £150 in line with its offer if Mr and Mrs C accept my final decision.

Acromas Insurance Company Limited must pay the £150 within 28 days of the date on which we tell it Mr and Mrs C accept my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr C to accept or reject my decision before 31 October 2023.

Geraldine Newbold  
**Ombudsman**