

The complaint

Mr G and Mrs G have complained about their property insurer Gresham Insurance Company Limited because it has declined liability for some damage at their property whilst accepting liability for fixing other areas, following a water leak.

What happened

Mr G and Mrs G have a property which was subject to a leak from the mains supply on the road. Mrs G made a claim to Gresham and an assessor visited the property. Mrs G couldn't meet him there at that time, her neighbour provided keys. Gresham's assessor felt decoration had been affected in the lounge and kitchen, but that a utility room to the side of the house had been affected by long term water ingress and damp, not associated with the leak.

Gresham offered settlement for the damage it felt was associated with the leak. And said it would review costs from Mrs G once those were available, which were later provided. But, following challenge from Mrs G about the utility room, Gresham felt its view in this respect was fair and reasonable. It wasn't minded to agree any liability or make any settlement for the damage in the utility room. Mrs G complained to the Financial Ombudsman Service.

Our Investigator, noting Gresham's expert opinion, felt it had made a fair and reasonable decision. So she didn't uphold the complaint.

Mrs G said they were dissatisfied with the findings. She said the utility room, which was formerly the kitchen, was built in 1947 and it had been fine since, until the leak, with lots of items stored safely in there. The leak had affected the kitchen, which was further from the road than the utility room. Mr G and Mrs G's complaint was referred for an Ombudsman's consideration.

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.

I've reviewed all of the photos of the property. I can understand why Mr G and Mrs G think the utility room must be suffering damage on account of the leak. At face value, the layout – with the utility room closer to the road than the kitchen – and knowing the kitchen is accepted as having suffered water ingress, I accept they think it's only logical that the utility would be affected too. But I bear in mind that the utility room is off to the side of the lounge and kitchen where it is accepted that water damage occurred. And the accepted water damage in those areas is relatively minor – requiring some drying and redecoration. That is quite different to the scale of the damage in the utility room.

As much as I sympathise with Mr G and Mrs G, understanding as I do their belief based on the logical argument I've set out above – Gresham has had an expert assess the damage at the property. I know Mrs G couldn't meet him there. But I'm not persuaded that would have assisted – I don't think his findings are flawed in any way such that talking to Mrs G would

have resulted in a different finding. And I understand that he wanted to act quickly to consider the complaint, which meant a visit could not be delayed until Mrs G was next due to visit. I think this was handled reasonably.

The assessor noted the utility room was constructed on a wood frame, with single brick walls and that the ground to the side of it was higher than the floor inside. Also that the floor in the doorway was level with the tiled area outside, with no step or door sill present, such as to prevent water ingress. He noted the wood was rotten and that the plaster on the walls was in a poor condition. He took photos showing these issues. The assessor concluded that the utility room had been damaged by long-term damp and water ingress, rather than having been affected by the mains leak. I find his report persuasive. It wasn't unreasonable for Gresham to rely on it. I think Gresham has acted fairly and reasonably to decline this element of the claim.

My final decision

I don't uphold this complaint. I don't make any award against Gresham Insurance Company Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G and Mrs G to accept or reject my decision before 7 August 2023.

Fiona Robinson
Ombudsman