

## **The complaint**

Mrs M complains that AA Underwriting Insurance Company Limited (AA) has unfairly refused to meet a claim she made after she noticed water damage in her home.

## **What happened**

In February 2022 Mrs M noticed water damage to a wall when she moved her sofa. She contacted AA and described the damage, and that she'd also been aware for some time that some of the wood at the bottom of her door frame was also damaged. She wanted AA to fix the problem and repair the damage. AA explained that the policy Mrs M has would only cover repairing any damage – it didn't cover fixing the cause, presumably a leak. AA told Mrs M she should get a plumber in to fix the leak. AA also said that Mrs M's policy didn't cover her for damage that had built up gradually, so it need not meet her claim.

Some time later Mrs M complained, saying her policy covered her for any damage caused whilst finding a leak, so AA should find and fix the leak. AA agreed to send out a surveyor to look at the damage. He reported that the damage had been building up over some time and likely came from an unseen leak in the adjacent bathroom, as the shower was located on the opposite side of the wall to the main damage. He couldn't see any obvious causes of a leak, but noted Mrs M had continued to use the shower and hadn't at that point taken any steps to have a plumber look at the underlying problem. AA again said it wouldn't pay to repair the leak or the damage – but that Mrs M should keep any invoices for damage caused whilst finding the leak as they might form part of a claim.

In May Mrs M had a plumber attend her home and he found the cause of the leak and noted that there was serious damage under the shower. He didn't think there was any way Mrs M would have been aware of the problem until she noticed the damage to the wall in her sitting room.

AA still wouldn't meet the claim, so Mrs M asked us to review her complaint.

Our investigator didn't think AA had done much wrong. He noted that most insurance policies didn't cover damage that built up gradually, and he thought that – as Mrs M said she'd noticed the damage to the door frame for some time, and the damage to the wall showed clearly, that AA had fairly relied upon the exclusion for gradual damage in the policy when it refused the claim.

Mrs M is unhappy about this as she says she reported the problem as soon as she noticed the damage to her wall.

I've been asked to decide this complaint.

## **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'm afraid I can't uphold this complaint for Mrs M. I realise this isn't what Mrs M wants, but I will explain how I've reached my conclusion.

Insurers are allowed to limit the things they cover under an insurance policy. In particular, home policies are meant to cover the results of an unexpected problem: they don't cover damage caused if things meant to be done as part of normal maintenance aren't dealt with in a timely manner.

It's also Mrs M's responsibility to mitigate (that is stop or reduce) the effect of a problem, so any damage doesn't become worse than it already is.

Both of the above clauses are included in many home insurance policies, so I can't say Mrs M's policy is particularly restrictive in what it covers.

I appreciate Mrs M says she reported the problem to AA when she noticed the damp in the sitting room. But she also said that she'd been aware of the damage to the door frame for some time but didn't know what to do about it. AA is entitled to rely on what its contractor said when deciding if it should meet a claim. I've looked at the pictures of both areas of damage. They do appear to be typical of damage that builds up over a fairly long period of time, as the contractor said. In particular the wall damage is extensive, and reaches up the wall above the sofa.

I think it's reasonable for AA to conclude that this is the sort of damage Mrs M should have noticed – and indeed she did say she'd noticed the problem with the door frame some time before she made her claim. I do understand that she may have been unsure what to do about that, but that doesn't mean AA must meet the claim.

I'm also aware that Mrs M continued to use her shower, even though she said that made the damage worse. And that, although AA told her in February that she should get a plumber out to fix any leaks, she didn't do that for several months. I understand that would have been a cost for Mrs M, but by leaving things as they were and using the shower, she hasn't taken steps to prevent further damage.

I have thought about what Mrs M's plumber said – that she wouldn't have known about the leak until the damage became apparent. Sometimes that build up of damage is covered on a home insurance policy as "accidental damage to a building". But Mrs M didn't have that cover so that doesn't affect my decision.

Taking all of the above into account I can't say AA has assessed Mrs M's claim unfairly.

I don't know if Mrs M kept records of the cost of any damage caused when the plumber eventually found the cause of the leak. If she has, I'd expect AA to assess these under the trace and access cover Mrs M has.

## **My final decision**

For the reasons given above, I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 8 August 2023.

Susan Peters  
**Ombudsman**