

## **The complaint**

Mrs and Mr C are unhappy that Admiral Insurance (Gibraltar) Limited declined their claim for accidental damage under a wear and tear exclusion.

They jointly held buildings and contents insurance, underwritten by Admiral. For ease of reading, I'll refer mainly to Mrs C throughout my decision.

## **What happened**

Mrs C made a claim under her policy after noticing a leak in her living room and conservatory. Admiral appointed a leak detection contractor who found water was getting into her home through an exterior crack and running into the chimney. Mrs C said the contractor told her the crack might've been caused when her extension was built, so she thought Admiral should consider her claim under accidental damage.

Admiral declined the claim. It said the crack was caused by wear and tear. Mrs C disagreed and said the leak detection report supported her claim that the crack was accidental damage.

Admiral didn't identify any documented evidence that its contractor had said the damage was accidental. Even so, Admiral said the policy didn't provide cover for anything which might've happened such a long time ago, and before the policy started.

But Mrs C said the policy didn't say anything about undetected accidental damage and it could've happened gradually over years. Mrs C remained unhappy with Admiral's decision, so she brought her complaint to us.

Our investigator thought Admiral had fairly relied on the policy terms and conditions to decline Mrs C's claim. He said there was no cover for wear and tear, and Admiral had reasonably stated that accidental damage from the time the extension was built was excluded. Our investigator didn't uphold the complaint.

Mrs C didn't agree with our investigator's view. After raising further questions, Mrs C asked for an ombudsman to decide.

## **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.

Having done so, I've decided not to uphold Mrs and Mr C's complaint. I'll explain why.

### **Accidental damage**

Mrs C said the leak detection contractor told her the damage might've been caused when her extension was built. But Admiral declined the claim under the policy exclusion for wear and tear.

The policy defines accidental damage as, "*Sudden, unexpected and visible loss or damage which has not been caused deliberately*".

For me to uphold the complaint, I'd need to see that Mrs C has shown that, more likely than not, the damage was caused by a specific, identifiable event, and that Admiral unfairly declined the claim.

Admiral said there's no evidence of its contractor saying the damage was caused when the extension was built. But I have no reason to doubt Mrs C's statement that its contractor said it could've been the reason for the crack. However, if the crack was accidental damage caused when the extension was built around 20 years before, it's more likely than not that water ingress would've been evident much sooner.

Admiral pointed out that the policy wasn't in place 20 years before. So even if the damage was accidental during the extension build, Admiral wouldn't be responsible for any repairs.

Mrs C said the crack didn't necessarily happen at the time of the build, but it happened gradually because of the build. Admiral said if that was the cause, then it would be the result of poor workmanship or gradual damage, both of which are excluded under the policy. I think that's a fair and reasonable response.

Overall, I'm satisfied that Admiral fairly declined Mrs C's claim for accidental damage based on the evidence available and in line with the policy terms and conditions.

### **Wear and tear**

To begin with, Admiral declined the claim stating that the damage was due to wear and tear. Mrs C didn't agree that the horizontal crack was consistent with wear and tear.

Looking at the evidence, I see Admiral provided an expert opinion on the cause of the damage. Mrs C hasn't provided any documented expert evidence to contradict that opinion. Nor has she provided anything to show how or when the damage happened. So, I think Admiral declined the claim fairly based on the evidence available to it.

I note Admiral said it would review the matter again if Mrs C provided evidence to support her claim. I think that's a fair offer.

Overall, I'm satisfied that Admiral reached a fair conclusion that the event was not an insured peril covered by Mrs C's policy. Admiral's reasons for declining the claim were in line with the policy terms and conditions. I haven't seen any evidence to indicate that Admiral treated Mrs C unfairly, or that its decision was unreasonable. Therefore, I won't be asking Admiral to do any more.

**My final decision**

For the reasons I've given, my final decision is that I don't uphold Mrs and Mr C's complaint. I'm not asking Admiral Insurance (Gibraltar) Limited to do any more.

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 21 December 2023.

Debra Vaughan  
**Ombudsman**