

The complaint

Mrs U and Mr U complain about how UK Insurance Limited (Ageas) dealt with a claim under their home insurance policy for damage to their property caused by a leak and an ingress of water following heavy rain.

Ageas use agents to administer the policy and to assess claims. References to Ageas include these agents.

What happened

In August 2022 Mrs U and Mr U contacted Ageas to tell them about damage to their property, firstly in January 2022 from a leak under a sink damaging the kitchen floor and units, and secondly, in August 2022, an ingress of water above a door following heavy rain.

Ageas asked Mrs U and Mr U to provide evidence and a cause of damage for the first incident and a quote for the repair work needed. They sent photographs of the damage and a quote for repair work, including replacement of all the kitchen units, flooring, tiling and worktops at a total cost of £8,690 in October 2022.

Ageas also appointed a surveyor (C) to assess the damage and validate the claim and a firm (B) to validate the quote. C visited the property in late October 2022. Their report noted significant damage to the kitchen sink unit and collapsed floorboards underneath, which C thought indicated the leak had been ongoing for some time (not a one-off incident) and not fixed at the time it occurred. C couldn't see any evidence of repair to the pipework under the sink. Given C's findings, an investigator was also appointed (P).

Following a clarification call with Ageas in November 2023, Mrs U and Mr U provided a receipt from a plumber who fixed the leak. The receipt simply stated 'fixed leak' and a cost of £200. Ageas didn't think it provided details of the leak and cause of the damage, so they attempted to contact the plumber, by email and writing, to get more information about the leak but couldn't contact the plumber or get a response.

As Ageas hadn't obtained further information from the plumber to validate the claim, they declined to accept the claim for damage from the leak (April 2023), as they weren't able to establish the damage was due to an insured peril (escape of water) rather than a gradual operating cause, which wouldn't be covered.

On the second incident, Ageas accepted there was heavy rain at the time of the incident. But from the photographs of the damage to the wall above the door, C said the damage wasn't consistent with an ingress of water, which Mrs U and Mr U said was caused by a blocked drainpipe. C said it appeared the damage was due to a longer standing issue. Ageas concluded the damage was due to a gradual cause and longstanding issue which wasn't covered under the policy, so they also declined this element (also in April 2023).

Unhappy at the decline of their claim, Mrs U and Mr U complained to Ageas. As well as Ageas declining their claim, they were unhappy at the length of time taken to assess and decline the claim.

Ageas didn't uphold the complaint in respect of the decline of the claim. In their final response, they said they were unable to progress the claim due to the lack of information from Mrs U and Mr U. Ageas said they'd tried to progress the claim but couldn't proceed any further, nor validate the claim. Any delays were due to awaiting information from Mrs U and Mr U. But Ageas did acknowledge occasions where contact with Mrs U and Mr U could have been more frequent, so they upheld this aspect of complaint and apologised.

Mrs U and Mr U then complained to this service, unhappy at Ageas declining their claim. They'd been impacted by the damage to their kitchen, and it was unsafe. They were also unhappy at the delay in assessing their claim, which they said was a fake investigation taking eight months when the damage was clear. And Ageas had declined the claim on the last day of the policy. They wanted Ageas to stop the investigation and honour their obligations under the policy.

Our investigator didn't uphold the complaint, concluding Ageas acted reasonably in not accepting the claim. For a claim to be considered, the onus was on Mrs U and Mr U to show an insured event or peril had occurred, or the damage was sudden and accidental. She didn't think Mrs U and Mr U had shown an insured event or peril had occurred and caused the damage. And the report from C was consistent with the cause of damage for the second claim being gradual, not a one-off event.

Mrs U and Mr U disagreed with the investigator's conclusions and asked an ombudsman review the complaint. On the first incident, tracing and fixing the leak meant dismantling cupboards and the sink housing. Ageas's surveyor only attended briefly, asking a couple of questions, and taking pictures. They'd paid the plumber £200 to fix the leak and at the time were undecided about making a claim as it would have affected the policy premiums. They decided to go ahead with a claim following the second incident.

On the second incident, there was heavy rain and they'd noticed water pouring down from the ceiling due to a blocked drainpipe on the side of the kitchen wall. So, the damage was accidental and sudden. The drainpipe was unblocked by a local builder, at their own cost. Ageas's technical team had declined to visit the property and hadn't contacted the plumber, which Mrs U and Mr U thought indicated they hadn't carried out a proper investigation..

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.

My role here is to decide whether Ageas has acted fairly towards Mrs U and Mr U.

I'd first want to assure Mrs U and Mr U I've considered all the information and evidence available in this case. This includes the information and evidence they initially provided, together with the further representations made in response to our investigator's view. I've considered this alongside the information and evidence provided by Ageas.

The main element of Mrs U and Mr U's complaint is that Ageas unfairly declined their claim, for damage caused in two incidents in January 2022 and August 2022. While both incidents were reported after the second incident and treated by Ageas as one claim, as the incidents are different in nature (and in their occurrence) I've considered them separately before coming to my overall conclusions.

On the first incident, in January 2022, a leak from the sink, Ageas considered this under the 'Escape of Water' section of the policy. The policy schedule defines this as:

“Water that has entered the boundaries of your property by the mains water supply and has, at some point on its journey within your home, escaped from the pipe, tank or appliance that it was in and caused damage to your home.”...

While a leak from under the sink would reasonably be held to fall within the definition when Mrs U and Mr U notified Ageas of the incident, Ageas asked them for photographs of the damage and a cause of damage report, to validate the claim. They also asked for a quote for the repair work, for them to assess. Mrs U and Mr U didn't provide this until October 2022 (photographs and a quote) and December 2022 (invoice from the plumber).

Only three photographs of the damage to the kitchen were provided, as Mrs U and Mr U said the kitchen was in use and to provide more would have constituted a health hazard. Looking at the photographs, they appear to be close-up photographs showing some damage. C's report and the photographs taken during the inspection indicate damage to the kitchen sink unit, but not the kitchen as a whole. But they don't provide evidence of the precise cause of the leak and C's report indicates the damage from the leak wasn't from a one-off incident but had been ongoing for some time. C's report states:

“The kitchen sink unit has been badly damaged by a leak from under the sink and it appears that this leak has been ongoing for some time as the floorboards underneath have rotted away and collapsed.

It appears that the unit has dropped and the sink has been resealed on the front edge meaning that the leak was not repaired as soon as it was noticed.

I can not see any evidence that there has been a repair to any pipework under the sink.

The customer did not know when the leak started and said that it was earlier this year but did not know when and did not know when a plumber attended.”

C's report includes photographs of the damaged sink and the kitchen more generally. The report is clear and covers the points I'd expect from a surveyor visit and inspection. Looking at the photographs, they're consistent with C's findings and conclusions set out above. So, I don't agree with Mrs U and Mr U's concern that C only attended briefly, asking a couple of questions, and taking pictures.

Turning to the quote provided by Mrs U and Mr U, it is for complete replacement of the kitchen, including the units, worktops, flooring and tiling. However, given C's report and photographs and the absence of a clear cause of damage report, I agree with Ageas's position the claim cannot be validated and Mrs U and Mr U haven't provided sufficient evidence of an insured peril. The plumber's invoice, dated January 2022, simply refers to *“fixed leak”* (and a cost of £200). There's no detail of the nature, location, or cause of the leak. That being the case, I think it reasonable Ageas asked for further detail in order to validate the claim, to establish whether there was an insured peril.

It would have been for Mrs U and Mr U to obtain a detailed cause of damage report, as Ageas requested when they were first notified of the incident. But I've seen no evidence of such a report. I can see Ageas tried to contact the plumber directly, through different email addresses and by letter, but weren't able to contact the plumber or receive a response. I think they've made reasonable attempts to obtain further information and evidence about the nature and cause of the leak and the damage.

It's also not clear to me why, if the damage to the kitchen was as significant as the [partial] photographs and the quote for a complete replacement of the kitchen would suggest, Mrs U

and Mr U didn't notify Ageas of the incident at the time it occurred (January 2022). And given what they've said about the damage to the kitchen presenting a health hazard. While they may have been concerned at the impact of making a claim on their premium, this would be equally been true when they notified Ageas of the incident and damage in August 2022.

I've also noted the Statement of Insurance issued when the policy renewed in April 2022 includes a heading *"About claims, incidents and losses (whether insured or not) in the last five years"*. Under which there's a statement *"No previous claims disclosed"*. Looking at the heading, it's arguable Mrs U and Mr U should have disclosed the incident at the time they say it occurred (January 2022) rather than doing so in August 2022, as the Statement also notes that any changes to the information provided in the Statement should be notified to Ageas 'straight away', and that if any such changes aren't notified, this could result in an increased premium, refusal of a claim or it not being fully paid, the policy being cancelled or being made null and void and treated as if it never existed.

However, Ageas haven't sought to use this in their assessment and decline of the claim, so I've not considered this issue in reaching my decision.

I've also considered the general principle, where a policyholder makes a claim for damage or loss under a policy, the onus is on them to show there was an insured event that caused the damage or loss. In this case, given my conclusions above about the lack of evidence and detail about the nature and cause of the leak and damage, I've concluded Mrs U and Mr U haven't shown there was an insured event (escape of water) that would be covered.

Having reached this conclusion, I've also concluded Ageas acted fairly in declining to accept the claim on the grounds they hadn't been able to validate it.

On the second incident, Mrs U and Mr U say the cause was a blocked drainpipe, so the damage was accidental and sudden. So, it should be covered under the accidental damage section of the policy. Looking at the policy schedule, it defines accidental damage as:

"Sudden, unintentional and unexpected physical damage caused by an identifiable external means."

While this definition would reasonably be interpreted to include water entering the property from an external source (a blocked drainpipe) the accidental damage section of the policy also includes exclusions from cover, one of which is as follows:

"Your insurer will not pay for:..

- 1. Damage caused by wear and tear, depreciation, rot, fungus, insects, vermin, atmospheric or climatic conditions or other damage that happens gradually over a period of time:.."*

There's also a *General Exceptions* section which includes the following exclusion:

"Your insurer will not pay for:..

- 3. Gradually operating cause*

Any loss, damage or liability arising from wear and tear or damage that happens gradually over time."

C commented on the photographs of the damage to the wall above the door, saying:

“Reviewing the images of the damage above the rear door this does not align with water ingress in late August and would appear to be a longer standing issue.”

Considering this alongside the photographs provided, I’m persuaded by C’s comment. The damage appears significant and it’s not clear how water from a blocked drainpipe could have penetrated the wall and caused the damage shown in the photographs unless there was a pre-existing issue with the wall. In the absence of any clear evidence about the cause of the damage, I’ve concluded Mrs U and Mr U haven’t shown an insured peril caused the damage.

So, I’ve concluded it was reasonable for Ageas to decline to accept the claim, on the basis of a longstanding issue.

Moving to the second main issue, the time taken to assess the claim and then decline it, I’ve looked at the timeline and sequence of events. From the notification of the two incidents in August 2022, Ageas asked Mrs U and Mr U for a cause of damage report, photographs of the damage and a quote for repair work. The latter two were provided in October 2022 and the plumber invoice in December 2022 (though dated January 2022). Ageas then took time trying to contact the plumber for more information. Looking at Ageas’s final response and case notes, they accept they could have been frequent contact with Mrs U and Mr U in January 2023 and then in the period to their decline of the claim in April 2023. I think they were right to apologise for that.

But looking at the case as a whole, I think the main reason for the assessment and then decline of the claim taking the time it did was Ageas not being able to obtain sufficient, detailed evidence and information from Mrs U and Mr U to validate the claim. Which I’ve concluded it was fair and reasonable for Ageas to have requested and to investigate the claim further given the circumstances of the claim and C’s inspection and report. So, I won’t be asking Ageas to do anything further.

My final decision

For the reasons set out above, it’s my final decision not to uphold Mrs U and Mr U’s complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs U and Mr U to accept or reject my decision before 4 December 2023.

Paul King
Ombudsman