

The complaint

Mr C complains about how Inter Partner Assistance SA handled a claim he made for damage to his property following an escape of water.

What happened

The background to this complaint, and my initial conclusions, were set out in my provisional decision dated 1 September 2022 – a copy of which is attached and forms part of this final decision.

In my provisional decision I explained why I didn't think Inter Partner Assistance SA had acted reasonably or fairly. And I outlined the reasons why I was minded to uphold Mr C's complaint. I said:

"What happened

Mr C holds a home emergency cover policy, which is provided by Inter Partner Assistance SA as a benefit to a packaged bank account that he has. I'll refer to this insurer as IPA within this decision.

On 13 August 2021, Mr C contacted IPA to request assistance under his home emergency cover due to a leaking hot water cylinder pump valve. IPA dispatched an engineer from an organisation, which I'll call "S", to attend Mr C's property the same day.

When S attended Mr C's home address it determined that the water pump valve needed to be replaced. So, it ordered the required part. IPA stated that S attempted to contact Mr C following its visit but it wasn't successful as he wasn't available. As a result, S wasn't able to attend at his property to fit the replacement part until 24 September 2021, which it said was its earliest opportunity.

When S attended at Mr C's home address on 24 September 2021, it said it replaced the defective part within the water cylinder and bugged the system. But Mr C stated that the engineer informed him they'd bled the radiator in his daughter's bedroom as this was the nearest radiator to the water cylinder. Mr C further explained that the engineer had said they'd attempted to eradicate as much air from the system as possible but there may be some left.

Following S' visit, Mr C said the leak was fixed and the hot water and heating worked as expected. But a wet patch on the carpet underneath the radiator within his daughter's room became visible. He said this grew over the days following the visit.

By 26 September 2021, Mr C said the escape of water was so significant it had caused damage to the flooring within his daughter's bedroom and staining to the walls and ceiling of a newly decorated room below.

Mr C stated he traced the source of the escape of water to the radiator bleed valve, which was he said was leaking because it hadn't been properly closed. He said he stopped the

leak immediately, and resolved the problem, using the radiator key to close the bleed valve.

Mr C put the damage down to the radiator bleed valve not having been secured by the engineer and contacted IPA to submit a claim for the damage his property had suffered. But IPA repudiated Mr C's claim. It said it had contacted S to clarify the work its engineer had undertaken. And it said the engineer had stated they hadn't touched the radiators or bled the system as a bung had been used. IPA further stated that the escape of water had, most probably, been caused by a pin hole leak within the radiator due to internal corrosion, which indicated longstanding wear and tear.

Mr S disputed this – he referred to the discussion he'd had with the engineer during their visit and said they'd trodden dirt through his daughter's room and moved toys away from the radiator to enable them to work in that area.

Being dissatisfied with IPA's repudiation decision, Mr C complained. IPA investigated his concerns and said it wasn't responsible for the water damage that had been caused. But it offered to contribute towards the repair of the ceiling subject to the provision of at least three quotes. It also offered to pay £150 for the distress and inconvenience Mr C had been caused.

Mr C wasn't happy with how IPA had dealt with his complaint. So, he complained to our service. Our investigator assessed what had happened and recommended upholding this complaint. They preferred Mr C's explanation as to how the water damage had, most likely, occurred and didn't think IPA had acted fairly in declining his claim.

To resolve this complaint, our investigator recommended that IPA make a payment of £300 (inclusive of the previous amount offered) for the trouble and upset Mr C would have experienced. And they said IPA should send a suitable repair company to remedy the damage caused by the escape of water within the bedroom and downstairs room affected.

IPA didn't agree with our investigator's view of this complaint and asked for it to be referred to an ombudsman. So, I've been asked to determine the fairest and most reasonable way of resolving this complaint.

What I've provisionally 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.

Where the information I've got is incomplete, unclear or contradictory, as some of it is here, I must base my decision on the balance of probabilities. I'd like to thank Mr C and IPA for the level of detail contained within their submissions. I've read and considered all the information provided and if I haven't specifically referred to a point that Mr C or IPA have made it isn't because I haven't considered it. My decision will focus on what I think are the key issues – an approach that reflects the informal nature of this service.

My role is to assess whether I think IPA made a mistake, or treated Mr C unfairly, such that it needs to now put things right. And, having thought carefully about everything he and IPA have said, I've largely reached the same findings as our investigator for reasons that I'll set out below.

Our investigator directed IPA to instruct an agent to attend Mr C's property to make good the damage the escape of water caused within the bedroom and living room. But representations received from IPA following our investigator's view make it clear that this isn't possible.

I'm conscious that any decision needs to be actionable by both Mr C and IPA so I've proposed a different resolution that should meet this requirement. For this reason, I'm drafting a provision decision to explain the proposal I'm minded to direct and give IPA and Mr C the opportunity to provide any representations they wish me to consider before a final decision is issued.

Here, there's no dispute that water damage occurred to Mr C's property and that the flooring of a bedroom and ceiling and walls of a room below it incurred substantial damage. However, there's a dispute between Mr C, IPA and its appointed agent about the correct outcome of this claim.

It's agreed that the water damage Mr C's property suffered hasn't been caused by the issue he reported to IPA regarding the fault with the hot water cylinder pump valve. It's clear from Mr C's evidence that the action S took fixed the leak with the cylinder and reinstated the hot water and heating.

In the background to this complaint, I mentioned that there had been a delay between the first and second visit by the engineer, which was due to Mr C's unavailability between these dates. However, I'm not persuaded this delay caused or contributed to the water damage either within the bedroom or living room in the overall circumstances of this complaint and this isn't, in any event, something that IPA has suggested.

The crux of this complaint is what has, most likely, caused the escape of water that has led to the damage Mr C's property has sustained. In determining this issue I've carefully considered the evidence from Mr C, IPA and its agents.

IPA didn't ask S, or any other agent, to visit Mr C's home following his report that water damage had been caused. It appears to have assessed the most likely cause of the escape of water based on the photographs Mr C has provided, the experience of S and the recollection of the engineer who attended the property.

I've seen photographs of the radiator within the bedroom, which show the external condition of the radiator and evidence of the leak. I've also had sight of photographs showing the living room beneath the bedroom that sustained substantial water damage.

It's clear from the available evidence that IPA believes the escape of water has happened due to the presence of a pin hole leak due to internal corrosion. However, I don't think this is corroborated by the damage depicted within the photographs our service received. I'll explain why I think it's more credible that the damage was caused by the bleed valve not being properly closed – as Mr C has argued.

The external photographs of the radiator satisfy me that it's in good condition. There's no evidence of corrosion on the radiator surface other than a vertical rust coloured water line from the radiator bleed key area.

As the position of the bleed valve is at the top of the radiator, it's credible that this rust line was caused by water leaking from this area because the valve hadn't been secured. Mr C said this line was wiped away with cleaning, which is inconsistent with a longstanding problem due to a pin hole leak.

The water leaking from the radiator can be seen in a transparent plastic vessel underneath it. The water is relatively clear and the damage to the carpet is recent, which IPA accept within its submissions. If the escape of water had been caused by a pin hole leak, I wouldn't expect the water to be clear or a vessel to be needed to collect water, which would be

escaping gradually. I'd also expect the radiator to show signs of wear and tear and the carpet to show age-related stains.

I can see stains on the skirting board beneath the radiator and damage to the wood where it's sustained water damage. Again, Mr C told our service that the stains depicted in the photographs wiped away when cleaned. I haven't seen any evidence to contradict what he's said about that. This all goes to suggest that the stains haven't been present for a long period as would be expected if they'd been caused by a pin hole leak.

The photographs of the living room show water staining to the ceiling and walls. Mr C told our service that this room had been redecorated recently and the images corroborate this. The water damage depicted appears to have happened relatively recently, which is something IPA agrees with. The damage is widespread and extensive, which is consistent with a radiator within the room immediately above leaking a large quantity of water from a valve that hasn't been properly closed.

Had the escape of water been caused by a pin hole leak, I'm persuaded the damage to Mr C's living room would have occurred at a slower rate over a longer period. It wouldn't have happened to the extent it did here within the short time frame in question. This lends further support to the argument that the water damage wasn't caused gradually by a pin hole leak.

There's no evidence that the radiator was leaking prior to September 2021. IPA has told our investigator that the engineer attending Mr C's property didn't bleed the radiator as the system was bugged. But I think it's unlikely a radiator would spontaneously start to leak water – especially so soon after a part had been replaced in the water cylinder – unless the radiator bleed valve hadn't been properly closed.

As the leaking radiator was the closest to the water cylinder, and given Mr C's evidence that there was evidence of disturbance within his daughter's room following the engineer's visit, I'm persuaded that the engineer, most likely, bled the radiator during their visit – even if a bung had been inserted. I say this because it would be in line with good practice to do so when air enters the system following the replacement of a part. It seems likely the engineer then failed to correctly close the bleed valve, which caused water to escape.

Mr C has confirmed that, as far as he is aware, the actions he took stopped the leak immediately. He's also stated that the leak hasn't returned since. And this supports the argument that the escape of water was caused by a valve that hadn't been properly closed.

IPA hasn't been able to provide evidence to our service to show that Mr C resolved the leak by taking a different course of action. Had the leak been due to a pin hole leak, the issue couldn't have been resolved using a radiator bleed key as the pin hole leak would have needed repair. There's no evidence showing a repair of this nature has taken place. In the overall circumstances of this complaint, I'm persuaded a leaking bleed valve was the most probable cause of the escape of water. As IPA is responsible for the work undertaken by agents it's appointed, I'll explain how I think it should put matters right.

Putting things right

In order to resolve this complaint, our investigator recommended that IPA instruct a suitable agent to attend Mr C's property and remedy the damage caused to the bedroom and living room by the escape of water. However, when IPA responded to our investigator's view of this complaint it explained that it doesn't have affiliations with tradesmen. So, it can't direct an agent to attend and repair the damage as our investigator recommended. And it said this means it would need Mr C to provide it with quotes.

I think it's reasonable for IPA to ask Mr C to provide it with quotes in the circumstances. But I don't think it's fair to place too onerous an obligation on Mr C. My provisional view is that I think the most equitable way of resolving this complaint is for Mr C to obtain three quotes itemising the cost of remedial work to the bedroom and living room caused by escape of water that is the subject of this complaint. I'm minded to then direct IPA to pay the middle value quote in full.

I can see our investigator recommended that IPA pay compensation to them of £300 (inclusive of the previous offer) to Mr C for the trouble and upset he experienced because his claim was declined. So, I've carefully considered how Mr C is likely to have been affected by what happened.

Mr C informed our service that what happened triggered a relapse in mental health had placed significant strain on his family and I can appreciate what he says here. I appreciate this has been a stressful situation for Mr C. and I imagine that he thought, at the start, the claim was all going to be sorted out with minimal fuss.

Taking into account how Mr C was affected, my provisional view is that the compensation recommended by our investigator is a reasonable amount that's proportionate to the distress and inconvenience Mr C would have been caused here. It's in line with our approach in similar scenarios and it's what I would have told IPA to pay had an award not been recommended by our investigator. So, I'm not minded to depart from that sum or ask IPA to increase that amount."

In my provisional decision, I invited both parties to send any additional evidence or comments they wished to make before I draft my final decision, which is our service's last word on this complaint.

IPA responded to confirm it has nothing to add or provide by way of further evidence.

Mr C responded on several occasions following receipt of my provisional decision to explain the difficulties he was experiencing in obtaining the 3 quotes I'd asked him to provide. I afforded him an extension of time in which to obtain and forward the requested 3 estimates itemising the remedial work quoted for.

When Mr C responded substantively, he provided 3 itemised quotes from 3 separate businesses. These ranged from a cost of £3690, as the cheapest estimate, to £4740 as the most expensive quote.

Mr C told our investigator he was concerned that the quotes he'd obtained were provisional. He was therefore worried there may be work needed to reinstate the property to its pre-loss state that hasn't been included within the scope of the estimates provided. And he thought there was a risk that this may lead any contractor undertaking reinstatement work to increase the cost, for which he'd be financially responsible.

Mr C also made further representations as to why he thought the photographs he'd sent our service demonstrates that the escape of water happened "over a matter of days caused by the error of the engineer".

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'll start this final decision by addressing Mr C's representations about why he thinks the photographs our service received demonstrated that the escape of water happened over a matter of days and were caused by an error on the part of the engineer that attended his property.

In my provisional decision I gave detailed reasons why I was persuaded that a leaking bleed valve was the most probable cause of the escape of water. I also stated that, because IPA was responsible for the work undertaken by agents it's appointed, it was responsible for any error made by the engineer it appointed. As I haven't seen any further evidence relating to the cause of the leak, I remain satisfied that the escape of water was caused by a leaking bleed valve.

I remain persuaded that the cause of this leak was due to an error on the part of the agent IPA appointed and I've seen no further evidence that contradicts the provisional finding I made. I therefore haven't seen anything that makes me think I should depart from my provisional view that I should uphold this complaint in the interests of fairness to Mr C.

Mr C provided 3 quotations to this service at my request. I've considered these estimates carefully. They itemise the scope of work and, largely, quote for the reinstatement work I was expecting to see given the water damage sustained. The businesses that provided the first two quotes aren't including VAT with their quotes. They estimate the reinstatement work to cost £3690 and £4080 respectively. The third business' estimate is £4740 including VAT. So, this is the most expensive quote.

Mr C has asked me to be mindful that the quotes may be revised at the point that work is undertaken. But I can see that our investigator has already explained that I must base my decision on the available evidence. I can't speculate that costs may change as there's no evidence to say this is going to happen. So, I'm making my decision based on an assumption that the quotes provided by Mr C are accurate and representative of the reinstatement work required, which I think is reasonable in the circumstances of this complaint.

Putting things right

I stated in my provisional decision that I thought the most equitable way of resolving this complaint was for Mr C to obtain three quotes, which he's done. And I explained that I was minded to direct IPA to pay the middle value quote in full. As the quote for £4080 is the median quote I'm directing IPA to pay that quote in full as part of this decision.

I remain satisfied that the £300 compensation recommended by our investigator (inclusive of the previous offer) is reasonable and fair in the overall circumstances of this complaint. Neither Mr C nor IPA have submitted any evidence or representations that persuade me to depart from my provisional findings that this figure was too low or too high. I'm therefore going to direct IPA to pay £300 compensation to Mr C to resolve this complaint.

My final decision

My final decision is that I uphold this complaint. Inter Partner Assistance SA should resolve this complaint in the following way:

- Pay £4080 to Mr C to cover the cost of reinstatement work to his property.
- Pay Mr C £300 for the distress and inconvenience he experienced (inclusive of the previous offer).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 19 December 2022.

Julie Mitchell
Ombudsman