

## **The complaint**

Mr D complains about U K Insurance Limited's (U K Insurance) handling of his claim and failure to identify the source of a leak, under his home emergency policy.

Any reference to U K Insurance includes its contractors and agents.

## **What happened**

Mr D contacted U K Insurance to investigate a leak he thought was originating from his bathroom and entering his neighbour's flat below. He says a plumber arrived and told him he would need to remove the flooring to find the leak. The plumber wasn't able to do this without authorisation from the insurer and so did nothing further.

Mr D says he investigated the leak himself. He excluded the heating and water systems as the cause, but the damage resulting from the leak got worse. When he contacted U K Insurance again, he says it refused to arrange for the plumber to reattend. Mr D says another plumber did eventually attend, which was arranged using different cover he has with U K Insurance. The plumber found that the issue was caused by defective sealant in the shower base.

U K Insurance says that when its engineer inspected the bathroom, he couldn't find an active leak. But as the floor was tiled, he couldn't investigate further. U K Insurance says Mr D contacted it four days later as he hadn't heard anything further about his claim. It says it informed him he would need to arrange for the floor tiles to be removed, for further investigation to be carried out.

U K Insurance says that following a further engineer's assessment the leak was found to be the result of defective sealant in the shower base. Replacing the sealant fixed the problem. U K Insurance says it should have informed Mr D sooner that no further assistance could be provided. It says the leak wasn't visible from above and wasn't apparent during its engineer's visit as the shower wasn't being used.

U K Insurance says it's Mr D's responsibility to maintain his property and that faulty sealant is considered a maintenance issue. It says its policy doesn't provide for further assistance in these circumstances. And that it isn't responsible for damage caused to the flat below. However, it did pay him £75 compensation for not informing him earlier that it couldn't provide more help.

Mr D is concerned that he was told the floor would need to be lifted when this wasn't necessary. He wasn't satisfied with U K Insurance's response to his complaint and referred the matter to our service. Our investigator upheld his complaint. He thought the first plumber that attended should have identified the leak was caused by defective sealant. He says the policy terms don't cover this issue. But the repairs could've been arranged sooner.

Our investigator says U K Insurance should've told Mr D it wasn't able to help earlier. But that the damage to the ceiling in the flat below had already occurred. This meant repairs were required anyway. But he says U K Insurance should increase its compensation

payment to £200 to acknowledge the issues raised.

Mr D didn't think this was a fair outcome. He asked for an ombudsman to review his complaint.

It has been passed to me 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 have decided to uphold Mr D's complaint. Let me explain.

I've read the policy terms relating to Mr D's cover to understand what his policy provides. The terms define an emergency as:

*"An incident in the home that happens during the period of insurance and which needs to be dealt with quickly to avoid:*

- *making the home unsafe or insecure for you*
- *damaging the home and its contents, or*
- *the home losing its main source of heating, lighting or water (hot or cold)."*

Mr D reported a leak from his bathroom causing damage to the flat below. I think this reasonably qualifies as an emergency under the definition here. U K Insurance accepted the claim and arranged for its engineer to attend the same day the leak was reported, which I think was reasonable.

The terms under the heading, *"If you have an emergency"* say:

*"If there is an emergency in your home, when you call us:*

- *we will tell you what you can do in order to protect yourself and your home*
- *we will send an authorised repairer to your home*
- *we will pay up to £500 (including VAT) for each emergency assistance call out to cover the cost of:*
  - *the call out*
  - *labour at your home*
  - *parts."*

In its complaint response U K Insurance says that neither, *"leak detection or Trace and Access"* are services covered by Mr D's policy. Because its engineer couldn't identify an active leak, it says the only course of action was to investigate further, which isn't something its home emergency policy provides for.

I can't see that leak detection is something that is specifically included in Mr D's home emergency cover. However, this is a moot point, as it's clear the leak was caused by faulty sealant in the shower base. The second engineer that attended didn't need to lift the bathroom floor or carry out other invasive investigations to identify this.

U K Insurance says replacing bathroom sealant is a maintenance issue. It says this isn't covered by Mr D's policy.

I've looked at the, *"General Conditions"* section of his policy terms to understand what this

says in relation to maintenance issues. The terms say:

*“Preventing loss*

*You must take reasonable care to prevent loss, injury or liability, damage or accidents to the buildings and contents covered under this policy.*

*Maintaining your buildings and contents*

*You must keep the buildings, contents and personal possessions covered under this policy in good condition.”*

The terms are clear that cover isn't provided for issues relating to a lack of maintenance. I think U K Insurance's view that defective bathroom sealant is a maintenance issue is reasonable. So, I don't think it behaved unfairly in not carrying out repairs.

I've read the notes from the first engineer's visit. It doesn't provide much detail but does say there is a leak from Mr D's bathroom affecting the flat below. It also says the bathroom is tiled and there is no visible leak or access to the flat below. The second engineer who attended, thought the leak was caused by defective sealant. Mr D was advised not to use the shower to see if the leak stopped. It did, which confirmed the sealant was the issue. I think it's reasonable to expect the first engineer to have identified this as the potential cause. But there is no evidence that he did from U K Insurance's records or from Mr D's testimony.

The policy terms say that U K Insurance will tell Mr D what to do in order to protect his home. Cover wasn't provided to repair the cause of the leak under the policy terms. But had the sealant been identified as a potential source of the leak, Mr D would have known what repairs were required at an earlier stage.

U K Insurance acknowledges it should've told Mr D earlier that it couldn't provide further assistance. I agree. This should've been explained at the time of the first engineer's visit. As this didn't happen, I think it's fair that U K Insurance compensates Mr D for the upset he was caused.

It must have been stressful for Mr D to have dealt with the ongoing leak, given that it was causing damage to his neighbour's property. Poor communication from U K Insurance and the failure to identify the cause of the leak by its engineer added to this. I note Mr D's comments that he didn't use the heating for several days to see if that was the problem. This was during winter when it was cold.

Because U K Insurance didn't communicate effectively the onus was with Mr D to try and resolve the problem. This caused him some distress and inconvenience. To acknowledge these points, I think U K Insurance should pay Mr D £200 compensation in total.

I have thought about Mr D's comments that the delay in identifying the source of the leak caused more damage to his neighbour's ceiling. He says what could've been a “*light mark*” ended up with marks covering the entire ceiling, which cost £600 to repaint. I acknowledge Mr D's comments. But I think damage had already occurred that required redecoration of the ceiling, prior to the first engineer's attendance.

I say this because Mr D explains the leak into the neighbour's property is how he became aware of the issue. He also says there would have been some marks on the ceiling even if this had been identified earlier. I don't think redecorating the ceiling could've been avoided – even if the source of the leak had been identified earlier. So, I don't think it's fair to ask U K

insurance to pay for this.

In summary, I don't think U K Insurance treated Mr D fairly when it failed to identify the source of the leak, and for its poor communication. It's reasonable for it to pay £200 compensation to acknowledge this. But I don't think it's responsible for the ceiling damage so I'm not asking it to pay for the cost of redecorating.

### **My final decision**

My final decision is that I uphold this complaint. U K Insurance Limited should:

- pay Mr D £200 compensation for the distress and inconvenience it caused him. U K Insurance Limited must pay the compensation within 28 days of the date on which we tell it Mr D accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 20 October 2022.

Mike Waldron  
**Ombudsman**