

The complaint

Mr and Mrs B complain that Accelerant Insurance Limited has unfairly declined a claim they've made on their buildings insurance policy.

What happened

Mrs B has brought this complaint on behalf of herself and her husband so I'll refer to her throughout. References I make to Mrs B and Accelerant include respective representatives and agents.

The background to this complaint is well known to the parties so I've provided a summary here.

- Mrs B has a buildings insurance policy underwritten by Accelerant. She discovered her hall carpet was wet and thought this was likely caused by water coming from the shower on the other side of the hall wall. She arranged for a contractor to assess the damage and they reported there were no obvious leaks but the grouting to the bathroom tiles was damaged.
- She reported the damage to Accelerant to make a claim on the buildings cover. It appointed an agent to investigate and validate the claim but it was declined as the policy included an exclusion for damage as a result of grout failure.
- Mrs B complained to Accelerant as she believed the grout was damaged as the result of movement of a stud wall during the installation of new doors rather than through wear and tear. She was also unhappy as she said she'd initially been told the claim would be covered.
- Because of this, Accelerant considered the claim against the accidental damage part of the policy but its underwriters said the failure of grout was excluded irrespective of the cause of the failure. The claim remained declined.
- Mrs B raised her complaint with this Service. Our Investigator considered the evidence but thought Accelerant had declined the claim fairly. She said the expert evidence said the leak occurred as a result of grout failure and this was excluded under the policy terms. But she thought Accelerant should pay Mrs B £100 for avoidable delays.
- Mrs B asked an Ombudsman to make a decision.

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.

- When a policyholder wishes to claim on a policy, the onus is on them to show the damage is covered by the policy. If an insurer wishes to rely on an exclusion to

decline a claim, the onus is on it to show the exclusion applies.

- The terms of the policy define what the parties can expect from the cover and I'm unlikely to tell an insurer to pay a claim if it's not covered under the policy terms.
- I'll be keeping all this in mind when looking at this complaint together with what I consider to be fair and reasonable.
- The report from the Home Emergency contractor who initially attended explained there were no leaks detected but *"The grout is cracked in various areas the whole way up on the wall that backs onto the hall - this would allow water to get behind the tiles and run down when the shower is in use"*.
- It further confirmed when the shower was not in use, the water stopped dripping down from floor level to the ceiling below. Overall, I find this expert opinion persuasive. Mrs B hasn't offered any expert opinion suggesting an alternative cause.
- The terms of the policy explain, within the General Conditions section of the policy which relates to the buildings and contents cover *"We do not cover any damage caused by...failure of or lack of sealant and/or grout"*. This is a common exclusion within policies of this nature.
- I note Accelerant has apologised it initially incorrectly suggested the claim would be covered and I acknowledge this must have been frustrating for Mrs B. But ultimately, I'm satisfied that based on the available evidence, Accelerant has fairly declined the claim based on the above exclusion. So I won't be upholding this part of the complaint or asking Accelerant to do anymore in relation to it.
- There's some further commentary within the report that says it's possible the damage to the grout may have occurred when contractors employed by Mrs B replaced some doors as this may have disturbed the stud wall. This seems to be Mrs B's belief too. But the report does also explain this is a suggestion only and would require further investigation to rule out other possible causes so I don't find this particularly persuasive.
- But even if this were the case, the exclusion relating to the failed grout applies irrespective of the cause of the grout failure so this doesn't change my mind. So, given this potential alternative cause wouldn't change the outcome of the claim, I'm satisfied Accelerant hasn't needed to investigate this further.
- From what I've seen, Accelerant didn't provide Mrs B with the level of customer service I'd expect through the claim so I'll be upholding this part of the complaint. It's required to handle claims promptly and fairly and at times it was slow to provide her with updates requiring her to chase it for these and for calls to be returned. I think Accelerant should pay Mrs B £100 as acknowledgement of its shortcoming throughout the claim.

My final decision

My final decision is that I uphold this complaint and direct Accelerant Insurance Limited to pay Mr and Mrs B £100 for the distress and inconvenience caused by its actions.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mrs B to accept or reject my decision before 29 November 2022.

Paul Phillips
Ombudsman