

The complaint

Mr and Mrs C complained that Royal & Sun Alliance Insurance Limited (“RSA”) unfairly delayed their claim as a result of RSA mis-diagnosing the cause of a leak under their home insurance.

What happened

Mr and Mrs C made a claim to RSA when they noticed a leak coming through their kitchen ceiling. They were advised that the home emergency aspect of their policy wouldn’t cover them for the repair due to the intermittent nature of the leak.

Mr and Mrs C were advised they were covered for any damage caused by the leak up to a value of £5,000 and for finding the cause of the leak. RSA appointed a loss adjuster to review the damage caused and a separate contractor to carry out the trace and access work to find the leak.

RSA said the leak was caused by a faulty silicone seal around the bath and it said once Mr and Mrs C had this fixed (as the repair wasn’t covered by the policy) it would arrange for the property to be dried and the damage to be rectified.

Mr and Mrs C were unhappy with this as they said the leak wasn’t coming from the bath but was coming from under the sink. Mr and Mrs C said the contractor had said this verbally to them. However, RSA’s written response denied this was the case and said its contractor had checked the waste from the sink and it was dry.

Mr and Mrs C said the leak continued when they weren’t using the bath. Mr and Mrs C felt they couldn’t have their damage rectified until the leak had properly been identified and fixed. As RSA wouldn’t do what Mr and Mrs C commissioned his own plumber to review the problem. Mr and Mrs C’s plumber reported that the bath wasn’t leaking and said the leak was caused by a faulty u-bend under the bathroom basin. He fixed this by tightening it. Mr and Mrs C wants to be compensated as they thought RSA had caused avoidable delays to their claim.

Our investigator decided to uphold the complaint. She thought it was clear from the circumstances that the leak had been ongoing and wasn’t due to just the bath sealant. She thought Mr and Mrs C had experienced distress and inconvenience, from the delay that the misdiagnosis caused to the timescales of the rectification works and in having to commission their own plumber. She said part of the plumber’s invoice should be reimbursed if Mr and Mrs C could provide a breakdown of the costs. RSA disagreed, so the case has been referred to an ombudsman.

My provisional decision

I issued a provisional decision on this on 5 October 2022. I said:

“RSA didn’t uphold Mr and Mrs C’s complaint as it said its contractor had correctly identified the cause of the leak, so it didn’t think it had caused Mr and Mrs C a delay in getting their

damage repaired. I don't agree and I'll explain why.

Mr and Mrs C has explained that RSA's contractor told them the sink was the cause of the leak. RSA's written testimony contradicts this statement. As I don't have any evidence to support what was said verbally, I won't be able to consider this any further. I'll only base my decision on the evidence I have before me.

I have reviewed what RSA's contractor wrote in his report of the incident. The report states "The moisture ingress appears to be coming from the bathroom directly above the kitchen. The customer believes it may be coming from the sink but when I checked the sink all wastes and connections were dry. When I tested the silicone seal on the bath water started to pour onto the floor and into the void below. I believe the ingress is caused by a faulty silicone seal on the bath". I have reviewed the photographs the contractor has provided alongside his report. Photos 15 and 16 do show water falling down the wall under the bath, so I think the contractor has been reasonable in concluding that the sealant was faulty and was causing water damage.

However, Mr and Mrs C said they stopped using the bath, but the leak continued in the kitchen. They have shared photographs and a video of this. So, whilst RSA's contractor identified one source of the leak, I think it's clear there was also another leak. When Mr and Mrs C told RSA the leak was continuing even after their bath wasn't used, RSA referred back to the report provided by its contractor. I've considered this.

RSA had already confirmed it would cover the damage from the leak, so I don't think there was any incentive or reason in Mr and Mrs C delaying this work themselves unless there was another problem. Therefore, I'm persuaded there was another issue. RSA had asked for Mr and Mrs C to provide their own plumber's report.

Mr and Mrs C weren't keen to do this at first, as they thought RSA should've supported them in their time of need. RSA wouldn't review its position or re-inspect the fault. So, Mr and Mrs C felt they had no choice but to get their own plumber in to find the leak and stop it, so allowing them to get the damage repaired.

Mr and Mrs C's plumber wrote a report to support what he observed. The plumber had observed the sealant around the bath had been renewed but the report explained "the leak was visible from the u-bend under the bathroom basin. Inspection revealed that a fitting was loose and simply needed tightening up". The plumber fixed the leak by tightening the U-bend.

RSA said "[The report commissioned by Mr and Mrs C] was completed almost a year later and cannot therefore be relied upon to reflect the issues visible and identified when the claim was originally reported as it is in no way contemporaneous". I've considered this, as Mr and Mrs C commissioned the report after RSA issued its final response and the inspection was carried out 11 months after the reported leak.

I think this evidence should be considered. RSA said in its final response "you are of course entitled to appoint your own engineer (at your own expense) to undertake their own leak investigations, and if they are found to significantly contradict those of [our contractor], our claims team will review them further (and potentially reimburse you for any costs incurred in the provision of your own report)". Mr and Mrs C has done what RSA advised. I don't think RSA has honoured what it said to Mr and Mrs C, I don't think RSA has considered the contradictory information at all. I think the correct course of action would've been to accept it had got it wrong, or to send its contractor to the property to re-inspect the issue. Therefore, I uphold this complaint. I think the evidence points to the likelihood of a second leak.

Mr and Mrs C paid £300 for the report and for the fix of the leak. I don't have a breakdown of this but given most of this charge will be for the call out itself, I think it's fair to assume it should be split 50/50 for the report and repair respectively. The repair isn't covered by the policy, but I intend for RSA to refund £150 of this cost for the report – as this wouldn't have been required had RSA dealt with the complaint fairly.

Mr and Mrs C have also experienced distress and inconvenience from this claim. RSA's final response was 11 months after the incident for what was a simple claim. I think this is too long and this delayed Mr and Mrs C's ability to move forward and to get their damage rectified. This would've been frustrating, and they will have lived with the damage during that time. They've also had to appoint their own contractor to escalate the claim. I think it will have been distressing when RSA dismissed this report when RSA themselves had suggested Mr and Mrs C get the report done only 3 months earlier. Therefore, I intend to award £300 in compensation for this".

Responses to my provisional decision

RSA said, *"there is no concrete evidence that the second leak had either started at the same time or was occurring at the same time as that identified by our contractor"*. However, RSA accepted the provisional decision.

Mr and Mrs C didn't say whether they accepted or rejected my provisional decision. They said:

"I have no proof of what was said to me verbally, but it highlights the main problem that [RSA's contractor] could not determine the source of the water damage at their first inspection, and demonstrates why I was so shocked when RSA said that they had attributed this entirely to a small area of the bath seal. I had hoped that RSA's own internal investigation would reveal that [RSA's contractor] had intended to return to our property to complete investigations which is why we held off procuring the services of a further plumber. As RSA did not complete their internal investigation for 6 months this resulted in a significant delay.

I would also like the ombudsman to consider further the actual breakdown of reimbursement for the extra plumber's report. Rather than a 50/50 split for call out fee and repair, I would propose that a more realistic calculation would be 80/20 for the call out/repair respectively".

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.

Given neither party has provided any new information, I see no reason to change my provisional decision. My decision took account of the delays that RSA caused, and I think the compensation awarded is fair for this.

I have considered the breakdown of the plumber's invoice as Mr and Mrs C requested. However, I don't agree an 80/20 split of the plumber's invoice is reasonable. As I set out in my decision, the majority of this cost I think is likely to be the cost of the call out itself – as the time required to either produce the report or to fix the leak would have both been small. As Mr and Mrs C would've had to pay for a plumber to be called out to fix the leak, even if RSA hadn't made mistakes, I think a 50/50 split of the invoice is the fairest conclusion.

My final decision

My final decision is that I uphold this complaint. I require Royal & Sun Alliance Insurance Limited to pay Mr and Mrs C:

- £150 – for reimbursement of their plumber's report
- £300 – for distress and inconvenience.

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 17 November 2022.

Pete Averill
Ombudsman