

The complaint

Mr N complains about Advantage Insurance Company Limited's decision to decline a claim under his home insurance policy.

What happened

The background to this complaint is well known to both parties, so I'll provide only a brief summary here.

Mr N has home insurance underwritten by Advantage which covers his home and its contents.

He made a claim in September 2022 after discovering a water leak in his bathroom. Water appeared to be escaping from the area around his shower and affecting the bathroom floor and the ceiling of the room downstairs.

Advantage sent a loss adjuster to assess the claim and the damage to Mr N's property. Their report said that the shower waste trap and water pipes were sound. And the leak was caused by a failure of the silicone sealant around the shower tray.

On that basis, Advantage declined the claim. They pointed out to Mr N that there was an exclusion in the policy which meant they wouldn't pay out for damage caused by wear and tear.

Mr N objected to this. He said he maintained the sealant on a regular basis – every six months or so.

Advantage said if that were the case, they'd rely on the exclusion relating to poor workmanship or maintenance. Mr N might *attempt* to maintain the sealant every six months, but the leak – according to the expert report – was clearly caused by a failure of the sealant.

Mr N complained to Advantage about their decision to decline the claim – and about poor communication and customer service. He said their explanations for declining the claim had changed when new information was presented to them. And he said they didn't respond in a timely manner to his requests and queries.

Advantage didn't provide a formal response to Mr N's complaint, so he brought it to us. Our investigator looked into it and thought Advantage were entitled to decline the claim but should pay Mr N £100 in compensation for poor communication and customer service.

Mr N disagreed and asked for a final decision from an ombudsman. He doesn't think Advantage have shown that a policy exclusion applies. And he believes the £100 compensation our investigator suggested is insufficient given the trouble and upset he's been caused by Advantage's errors.

Advantage also disagreed with the outcome suggested by our investigator. They think compensation isn't warranted in this case because they responded to Mr N in a reasonable and timely manner throughout.

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.

As our investigator said in his view on the case, there is only one qualified expert who's offered an opinion on the cause of the escape of water and the subsequent damage to Mr N's property.

That expert – the loss adjuster appointed by Advantage – takes the unequivocal view that the escape of water was a result of the sealant failing, for whatever reason.

Mr N hasn't suggested that there was any specific accident or event that might have damaged the sealant.

So, the sealant could only conceivably fail because of wear and tear or because it wasn't applied – or repaired / maintained – effectively. Mr N says he has attended to it every six months, so it's fair to suggest the latter explanation is the most likely.

But in any case, if either explanation is true, then Advantage are entitled to decline Mr N's claim, in line with the terms of the policy.

I note that the invoices provided by Mr N for the repairs he had carried out cover replacement of the shower tray, shower door and tiles. That would also suggest that the problem was with a leak from the shower tray area – and not, as Mr N originally suggested, from the pipes underneath the shower.

So, I'm satisfied there's nothing unfair or unreasonable in Advantage declining Mr N's claim based on the evidence and information available.

Mr N believes the customer service and communication provided by Advantage in this case was so far below the standard expected that it merits a compensation award significantly higher than the £100 suggested by our investigator.

Advantage say we shouldn't award any compensation because they responded to all of Mr N's communications in a reasonable and timely manner.

I'm afraid I can't agree with Advantage about that. Mr N clearly stated on more than one occasion that he wished to make a formal complaint. Advantage didn't take the appropriate steps to enable that.

It's also slightly odd that Advantage now say there were no failings in their communications with Mr N, when they earlier admitted to Mr N that they'd erroneously overlooked at least one message and apologised for the delay in addressing his queries and the further information he'd provided.

Mr N was on occasion very quick to go back to Advantage with counter arguments and he was at times very persistent and unwilling to accept explanations they'd provided.

But I'm satisfied the communication from Advantage was at times poor – for example, Advantage have also admitted their original explanation of the reasons for declining the claim were mistaken – and unnecessarily delayed.

This must have caused some frustration and inconvenience for Mr N – who had to chase Advantage for answers to his communications at times.

Putting things right

Given the degree of trouble and upset Mr N experienced as a result of the poor service and communication from Advantage at times in their handling of his claim and his queries, I'm satisfied that the £100 compensation suggested by our investigator is fair and reasonable.

My final decision

For the reasons set out above, I uphold Mr N's complaint in part.

Advantage Insurance Company Limited must pay Mr N £100 in compensation for his trouble and upset.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 30 June 2023.

Neil Marshall
Ombudsman