

The complaint

Mr and Mrs H complain that Royal & Sun Alliance Insurance Limited trading as More Than ("RSA") declined their claim on their home insurance.

What happened

Mr and Mrs H had home insurance that was underwritten by RSA. In January 2023 they made a claim after increased water usage in their bills led to them identifying a leak in their underground pipes.

RSA arranged to send a contractor to trace the cause of the leak, however before this Mr and Mrs H arranged their own contractor who found and fixed the leak. They submitted a report and photos from the contractor in order for RSA to validate the claim.

RSA paid Mr and Mrs H for the contractor's work tracing the leak. However it subsequently declined the claim as it said the cause of the damage appeared to be due to faulty workmanship, which wasn't covered by the policy.

Mr and Mrs H made a complaint as they didn't think this could be deduced from the photos shared. They also said that due to the leak detection their garden was now in a poor state and needed landscaping which they said RSA should pay for.

RSA responded to the complaint and maintained its position that the claim should be declined. However it said the reason was due to the fact Mr and Mrs H had the repair carried out before its own contractors had the opportunity to inspect the damage and determine the cause. It said from what it had seen the cause was likely to be due to wear and tear which was excluded anyway. However it agreed it had caused some delays with reviewing their claim and offered £50 to apologise for these. It also said it shouldn't have paid out the investigation costs, as there wasn't a valid claim but it wouldn't seek recovery of these costs.

Mr and Mrs H were unhappy with this as they said RSA had said it could validate the claim using the report and photos from their contractor. And they thought it should make good their garden that needed landscaping following the leak detection. They brought their complaint to this service.

Our investigator thought RSA led Mr and Mrs H to believe their claim would be covered by paying for the leak detection work. And this caused them distress and inconvenience when it was declined. So she thought it should pay an additional £100 compensation to apologise for this. However she didn't think it had acted unfairly by declining the claim as it hadn't been given the opportunity to review the issue itself. And she agreed the landscaping of the garden wasn't covered under the policy so RSA acted fairly by not completing this.

Mr and Mrs H didn't agree and asked for their complaint to be reviewed by an ombudsman,

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.

While RSA originally said it was declining the claim as it thought the cause was due to wear and tear or poor workmanship. It has since said that Mr and Mrs H prejudiced their position by having the work done before RSA was able to inspect it.

Under general conditions and exclusions in the policy, it states:

'Do not throw away any damaged items before we have had a chance to see them, or carry out any non-emergency repairs before we have had a chance to inspect them.'

Mr and Mrs H informed RSA of the claim on 18 January 2023. Its contractors arranged to visit to trace the leak and determine the cause on 23 January. However before this visit, they had the repairs carried out by their own contractor. While Mr and Mrs H have said these repairs were authorised by RSA, I've seen nothing to show that RSA agreed to the repairs before they took place. Instead from what I've seen RSA said it would try and validate the claim once the repairs were already carried out. So I've not seen that authorised the repairs before they took place.

Mr and Mrs H provided RSA with a brief report from the contractor who repaired the broken pipe. This stated:

'Eventually found the leak at a failed coupler in the front garden. Fitted a 24-28 x24-28mm Universal Slide-n-Seal Slip Coupler, which is slightly longer than the original, which cured the leak.'

As the replacement coupler that was fitted was longer than the original, and this fixed the leak, I agree this suggests the original coupler wasn't suitable for the piping. Which would suggest that the damage was caused due to faulty workmanship of the original pipes.

However as the report is brief, it is difficult for RSA to determine this to any level of certainty. And, as Mr and Mrs H have pointed out themselves, the photos make it difficult to determine the state of the pipes and how they were positioned. I therefore think it's fair that RSA has said it's unable to validate the claim.

When an insurance claim is made it's first for the insured to show an insured event has happened – something that's covered under the policy. It's then for the insurer to determine whether it should accept the claim or whether an exclusion applies. If it is unable to determine the cause of the damage, then it is unable to validate whether the cause would be covered under the policy or whether it would be excluded. And that's why insurance policies often include a condition that repairs shouldn't be carried out before the insurer has had a chance to inspect the damage. As Mr and Mrs H repaired the pipe before RSA had a chance to inspect it and its been unable to determine the cause conclusively from the evidence, I don't consider it unfair or unreasonable that it's declined the claim due to not being able to validate it.

Mr and Mrs H have also said they think RSA should cover the cost of re-landscaping their garden, following the leak detection work. I can see that the work carried out has caused some considerable disruption to the appearance of the garden. However under the policy there is no cover for this type of work. So it wouldn't fall to RSA to cover the cost of the work needed.

Had RSA's own contractors carried out the leak detection work and left the garden in a poor state then I may consider whether it should take any action outside of policy cover. But as this was carried out by Mr and Mrs H's own contractors, and there is no policy cover for

landscaping, I don't think RSA has acted unfairly by declining to carry out the landscaping work required.

I've also considered how RSA has handled the claim and I think it could have provided better service and been clearer about the process it was carrying out as well as providing Mr and Mrs H with a prompt answer to their claim. Initially, it agreed to cover the cost of the leak detection, and made payment to Mr and Mrs H. It's now said this was done in error, but at the time this may have given Mr and Mrs H the impression that the whole claim would be covered without issue. And in the absence of any clear information from RSA I can understand why they may have thought this. And because of this, when the claim was declined it was a surprise to Mr and Mrs H which would have caused additional distress.

Because of this I agree with our investigator that RSA should pay an additional £100 compensation to apologise for not providing clearer information about the validation of the claim.

My final decision

For the reasons I've given I direct Royal & Sun Alliance Insurance Limited trading as More Th>n to pay Mr and Mrs H an additional £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 29 August 2023.

Sophie Goodyear
Ombudsman