

The complaint

Mr M has complained that Fairmead Insurance Limited (Fairmead) unfairly declined a claim under a home insurance policy.

What happened

Mr M contacted Fairmead to make a claim for an escape of water at his home. Fairmead investigated the claim and declined it because it said the damage had been gradual. When Mr M complained, Fairmead maintained its decision to decline the claim. It said Mr M had been asked to provide evidence of when the leak was first noticed and why it wasn't rectified sooner. Mr M had confirmed he couldn't provide this evidence. It said it had declined the claim in line with the policy wording.

So, Mr M complained to this service. Our investigator upheld the complaint in part. He said it was reasonable for Fairmead to decide the damage was gradual and to decline the claim. However, he said Fairmead had been unreasonable by taking so long to decline the claim. He said it should pay Mr M £100 compensation.

As Mr M didn't agree, the complaint was referred to me.

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 uphold the complaint in part. I will explain why.

When Mr M reported the claim to Fairmead, he said he had been away from the property for five days and that when he returned, he found water coming through his kitchen ceiling. He said he turned off the water supply and arranged for an emergency plumber to visit.

Fairmead investigated the claim, including sending two different companies to assess the damage. The surveys found that the damage was the result of a long-term leak that would have been visible to Mr M. Looking at the surveys, including the photos, these identified extensive damage to skirting boards and the plaster around the shower area, as well as black mould. They also considered the extent and spread of the water. It was assessed that this wasn't consistent with the damage only having happened during the few days in which Mr M was away.

I'm aware the surveys were carried out a few months after Mr M reported the damage. However, Mr M provided Fairmead with photos he had taken shortly after he made the claim. One of the surveys noted that the damage was already extensive at that time. Mr M also said he arranged for an emergency plumber to stop the leak, which would have limited the ongoing damage. So, I'm not persuaded that the delay in the surveys being carried out unfairly affected the claim decision. I also think it was reasonable for Fairmead to assess that Mr M was, or should have been, aware of the damage earlier than the circumstances he reported. I think it was fair for Fairmead to rely on the survey findings and to decline the

claim on the basis that it was gradually occurring damage. The policy said it didn't cover gradually operating causes.

I've also looked at how long it took Fairmead to make its decision. I'm aware that it can sometimes take time for an insurer to fully assess a claim. However, in this instance, the first survey took place about three months after Mr M first made the claim and the second survey was about two months later. This meant it took about six months for Fairmead to tell Mr M the claim had been declined. I think this went beyond what I would consider a reasonable timeframe for Fairmead to make its decision. So, I think it should pay Mr M £100 compensation for the delay in telling him the claim was declined, as I think this fairly reflects the impact on him.

Putting things right

Fairmead should pay Mr M £100 compensation.

My final decision

For the reasons I have given, it is my final decision that this complaint is upheld in part. I require Fairmead Insurance Limited to pay Mr M £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 20 February 2024.

Louise O'Sullivan
Ombudsman