

The complaint

Mr and Mrs P have complained that esure Insurance Limited wasn't clear enough in a phone call about whether costs they paid for Trace and Access would be covered under their home buildings insurance policy.

What happened

Mrs P contacted esure in November 2022 about a leak she believed was underneath concrete flooring in their home.

Mrs P says that based on a phone discussion with esure, she understood that if she paid for a leak detection report (to trace and access the leak) the report fee would be reimbursed by esure.

esure didn't agree to reimburse Mr and Mrs P for the fee they paid for a leak detection report because no access works were carried out and no claim for water damage from the leak was made.

Mrs P didn't agree with esure's decision and brought their complaint to us. Our Investigator issued three views; all of which recommended the complaint wasn't upheld but for slightly different reasons, taking into account further information provided by Mrs P.

Mr and Mrs P want an ombudsman to decide. In summary they say that esure's advice wasn't clear, they made a decision to pay for a leak detection report on the understanding that the costs would be covered. They'd explained their circumstances and believe the agent should have been clearer.

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.

I've listened to the recording of the key call in November 2022 between Mrs P and esure. Mrs P requested a copy of the call recording from esure and so I'm aware that she and Mr P have also listened to it and provided their comments.

I think the agent answered Mrs P's questions reasonably. Mr and Mrs P have cover under their policy for when it is necessary to trace and access a leak - where the source of a leak cannot be identified. The agent explained that Mr and Mrs P would be responsible for the plumbing costs to repair the leak, but the policy would cover costs to trace and access the leak and any damage that might cause *if* (my emphasis) esure deals with a claim for water damage.

During the call, Mrs P explained that she believed the leak was under their concrete floor. She asked for clarification about costs for tracing and accessing the leak – after the agent explained what would be covered if a claim was made for water damage. Mrs P checked that esure would cover the costs to find the leak and then excavate – but not the physical costs to repair the pipe (if it was a pipe). The agent agreed and Mrs P confirmed they would be responsible for fixing the pipe.

Mrs P says that she explained to the agent that there was no damage to their property. I didn't hear Mrs P make this statement in the call. Whether there was damage or not wasn't discussed.

Mrs P explained that they had obtained a few estimates for leak detection reports which were quoted at around £900 including VAT. She said that depending on the costs of the repairs, if they came to more than £50, in light of the £950 excess, it would be worth claiming for – and if not, then it wouldn't be.

The agent explained that this was up to Mrs P to decide once the leak was fixed and she had a better idea of what reinstatement works might be required.

Mrs P asked; if she decided not to make a claim, did she need to do anything. The agent answered 'no'.

Mr and Mrs P arranged for a leak detection survey to be carried out, which reported a leak from a pipe underneath their kitchen concrete floor. On professional advice, Mr and Mrs P say they decided to arrange for re-routing of the pipe works. This meant no excavation works were done and there was no claim for damage that matched the conditions of cover provided under the policy.

I've looked at what esure says in the policy wording about its cover under Trace and Access. esure says;

"What is covered

if the Buildings are damaged due to water escaping from water tanks, pipes, equipment or fixed heating systems in the Home, We will pay for the reasonable cost of removing and replacing any part of the Buildings necessary to find and repair the source of the leak and making good the removed or replaced elements of the Building."

"What is not covered"

General Terms and conditions apply.

We will only pay for damage where a claim is made for water damage elsewhere under this Policy."

Mr and Mrs P didn't claim for access reinstatement works – or for damage caused by a leak. And I think the agent was clear enough in answering Mrs P's questions – and in line with the policy – in the key call in November 2022.

Mrs P says they would have made a different decision about paying for a leak detection survey if the agent had told her it wasn't covered. But I don't think the agent said it wasn't covered. I think she explained under what circumstances the costs of the survey would be met – if a claim for water damage was made.

I understand Mr and Mrs P will be disappointed with my decision. But from the information available, I think esure was clear enough in explaining that the costs associated with tracing and accessing a leak would be covered if a claim for water damage was made. As no damage occurred and Mr and Mrs P didn't claim, I don't think esure has acted unreasonably in not meeting the costs of the leak detection report Mr and Mrs P paid for.

My final decision

My final decision is that I don't uphold this complaint.

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

Geraldine Newbold

Ombudsman