

The complaint

Mr and Mrs A have complained that Accredited Insurance (Europe) Limited declined their claim when they had an escape of water at their property.

Accredited are the underwriters of this policy, ie, the insurer. Part of this complaint concerns the actions of Accredited. As Accredited have accepted they are accountable for the actions of their agents, any reference to Accredited in my decision includes the actions of their agents.

What happened

In early 2023, Mr and Mrs A received renewal documentation from their insurance broker. Mr A spoke to the broker and said they wanted to shop around for cover. Mr and Mrs A didn't contact the broker again before the policy lapsed.

About a week and a half later, Mr A contacted the broker again to renew cover.

Early the following morning, Mrs A found there was an issue with their shower. On investigation, Mr and Mrs A found that the hot water pipe under the bath had split, which they say led to a considerable escape of water, causing damage to their bathroom, landing and bedroom, as well as seeping through the ceiling to rooms below.

Mr and Mrs A contacted Accredited to make a claim on their policy. Accredited arranged for inspection of the property and alternative accommodation for Mr and Mrs A and their family. Accredited declined the claim. They said the leak had been a gradual one. And they said the damage caused was inconsistent with Mr and Mrs A's account of what had happened.

Mr and Mrs A challenged Accredited's decision and provided evidence from two plumbers to support their position that the leak had been sudden, not gradual. Accredited undertook three further inspections but maintained the damage wasn't consistent with what Mr and Mrs A had told them – specifically, that it indicated the escape of water had happened before they bought the policy.

Mr and Mrs A didn't accept Accredited's decision. So they brought their complaint to our service. Our investigator considered it and concluded Accredited needed to do more to resolve the matter. He was persuaded by the reports from Mr and Mrs A's plumbers about how the leak had occurred that the leak hadn't been gradual. He recommended that Accredited re-assess the claim and pay Mr and Mrs A £400 compensation for not relying on the reports when they were first sent to them.

I didn't agree with the investigator's conclusions – so I made a provisional decision. In summary, that said I wasn't minded to uphold Mr and Mrs A's complaint because, having carefully considered the available evidence, I saw the area around the bath was dry less than three weeks after the date Mr and Mrs A reported the leak happened. And I was persuaded by Accredited's testimony, including moisture readings, that a leak of the severity Mr and Mrs A had reported wouldn't have dried in that time – particularly without the use of drying equipment.

Accredited responded to my provisional view reiterating the evidence they'd previously supplied. Mr and Mrs A disputed there had been no drying and said they'd arranged for this themselves as they'd been told it was needed, but Accredited hadn't dealt with it. And they provided a number of photographs, which they say showed their house was in good order immediately before the date they reported the flood had occurred.

The complaint's now been passed back to me to make a final decision.

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 that, I'm not upholding Mr and Mrs A's complaint, for the reasons I set out in my provisional decision and which I've summarised above. I'll expand on those reasons below.

I appreciate the efforts Mr and Mrs A have made to evidence and support their complaint. I've reviewed everything they and Accredited have submitted. In my decision I've focused particularly on the points and evidence I consider material to the outcome of the complaint. So, if I don't refer to a specific point or piece of evidence, it's not because I haven't considered it. Rather, I don't consider it changes things.

There is a dispute between the parties in this case as to when the escape of water occurred. Mr and Mrs A have consistently said it occurred in the early morning of the day after they bought their policy. Accredited don't accept this and said that the damaged areas were too dry when they were inspected for that to be the case. As I've said above, I found Accredited's testimony and evidence on this point to be the more persuasive.

I've now considered the further evidence supplied by Mr and Mrs A. This includes a large number of photographs which they say show their house was undamaged before the day they say the leak occurred. And they say they installed drying equipment themselves when Accredited's contractors failed to do so.

I've studied the photographs provided and compared them to the photos included in the reports prepared by Accredited's contractors. They were taken on various dates in preceding 2-3 weeks, the most recent being taken the day Mr and Mrs A bought their policy. But they don't capture the areas shown in the contractors report to have been damaged. So the photographs don't persuade me the damage couldn't have occurred earlier than Mr and Mrs A say it did.

In response to Mr and Mrs A's comment that they had brought in drying equipment, I asked our investigator to ask if they could supply evidence of this. Mr and Mrs A haven't been able to supply evidence. But they did tell the investigator a contractor appointed by Accredited told them during their inspection that drying equipment was needed. They couldn't be precise about when the visit occurred. But they were able to give the contractor's name.

The investigator contacted Accredited for further details of this visit. Accredited provided a copy of the contractor's email, which shows they visited five days after the claim was made. While they confirmed parts of the property were wet, the email confirmed they had moisture checked the bathroom and found it to be dry. And it said:

"...we believe the peril happened before the date stated as the bathroom should show signs of elevated moisture including the chipboard flooring."

My provisional decision said I was satisfied Mr and Mrs A's bathroom wouldn't have been as dry as it was found to be just less than three weeks after the flood was reported to have happened. This shows that to have been the case just five days after. On that basis, I'm not persuaded to change my provisional decision. And I don't think Accredited need to do any more to resolve Mr and Mrs A's complaint.

My final decision

For the reasons I've explained, I'm not upholding Mr and Mrs A's complaint about Accredited Insurance (Europe) Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A and Mrs A to accept or reject my decision before 10 May 2024.

Helen Stacey
Ombudsman