

## The complaint

Mrs M complains that Acromas Insurance Company Limited has treated her unfairly when dealing with a claim made on her building's insurance.

## What happened

Mrs M appointed a local drainage expert who carried out a CCTV inspection of the drains and pipes at her property. It was identified there was damage with visible defects identified within the run.

On 21 February 2023 Mrs M notified Acromas of the issue with the drains and underground pipes at her property. She also said that she believed an outside retaining wall may have been damaged as a result of the issue with the pipes and these not draining as they should.

Acromas looked into the claim and in early March 2023, appointed its claims coordinator to assess the claim. A drainage report was completed and it was agreed the damage was something that should be covered under the policy.

On 3 April 2023, Mrs M was sent an email from the claims coordinator which included an attached schedule of works (SOW). This email said "*the insurer*" had confirmed it was happy to approve works to commence on the property. The SOW included work to repair the underground pipes and retaining wall. Based on this, Mrs M believed the claim to be accepted in full with the damage to the wall covered.

After the SOW was sent to Mrs M, Acromas appointed a Loss Adjuster (LA) to assess the claim due to the value of the proposed works and a site visit was arranged. The LA attended the property on 9 May 2023 and spoke with Mrs M and her husband. The LA said when he spoke to Mrs M's husband, he was told the wall had been leaning for over 12 months since he had fitted a new gate.

Based on the conversation, Acromas said it was not able to cover the damage to the wall. It felt this demonstrated the damage had been caused gradually over time and as a result, it wasn't something covered under the policy.

On 4 July 2023, Mrs M complained to Acromas about the claim decision and the service received during this process. Acromas said it was sorry for providing incorrect information about the claim before the LA had visited the property. It wasn't until this had taken place that it could confirm whether it was willing to accept the claim for damage to the wall with the claim. And based on what had been discussed with the LA and the previous indications of damage to the wall with leaning previously, it didn't think it had acted unfairly when this decision was made.

However, Acromas acknowledged the handling of the claim and conflicting information at the start will have caused a loss of expectation and inconvenience. To recognise this, it offered £250.

Our investigator looked at this complaint and didn't think Acromas needed to do anything

else. She felt the award offered in recognition of providing misleading information about the claim was fair. And in the absence of anything to show the damage to the wall was not pre-existing and the result of gradual damage overtime, she didn't think the decision to repudiate the wall from the overall claim was unfair.

Mrs M disagreed. She said a new gate was fitted to the wall in January 2023 and it was discovered that the wall was leaning then. It was not fitted 12 months previously as had been indicated. And she said the insurance had been with Acromas for a number of years so even if the policy had renewed in February, they were insured on the previous year's policy with Acromas for any damage to the wall from this point.

Our investigator's opinion remained unchanged and Mrs M asked that the complaint be referred for 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.

I've decided not to uphold this complaint for much the same reasons as our investigator. I appreciate Mrs M will be disappointed by this, but I'll explain why I think the offer previously made by Acromas is fair.

It isn't disputed that there was a valid claim to the pipework at Mrs M's property and this claim has been settled. The issue is whether Acromas should have accepted a claim for damage to the external wall at Mrs M's property too.

Mrs M has said she asked Acromas whether the damage is something that would be covered and has explained this was first noticed by her husband in January 2023. This contradicts what the LA has said they were told in terms of when the damage was first noticed. But it demonstrates damage was noticed ahead of the issue with the pipes being identified in February 2023.

Mrs M has asked why the information provided by the surveyor who first attended her property at the end of March to assess the damage to the pipes and wall is not being relied on. I appreciate comments were made about the overall structure of the wall and that this was in a good state of repair with no visible damage to the mortar or brickwork itself. But there was no confirmation as what was causing the wall to lean as it was.

Mrs M's policy has a number of exclusions and these set out what Acromas will not provide cover for. This includes *loss or damage arising from gradual causes*. As I've mentioned above it has been indicated the wall was noticeably damaged ahead of any issue with the drains being identified. And this had been happening for some time.

I understand the frustration Mrs M will have with this situation, not least because she only believed the wall to be covered under her insurance because of what she was told by its representative. But for me to determine that this should be, I'd need to be persuaded the damage was the result of an insured event.

The information provided with the SOW to Mrs M does not give an opinion on the cause of damage. And with the time frame set out, I don't think Acromas has acted unfairly when it has said it believed the damage to the wall to be the result of a gradual operating cause.

So while it will be disappointing for the position on this damage to have changed, I don't think Acromas has done anything wrong when reaching this decision. And I think it fairly

reviewed this when the information provided to it about the wall and its damage changed.

It is right that Acromas acknowledge the impact of this change in position with the expectations of Mrs M. I am in agreement on this point with our investigator that an award of £250 for this is fair and reasonable and in line with our Services approach for awards of this nature.

I note the concerns Mrs M had about the complaint handling and delays in this being done. However complaint handling is not a regulated activity and I cannot comment on any failings here.

Overall, I think Acromas has made a fair claim decision based on the information available. If Mrs M is able to provide further information in relation to the wall and the cause of its damage, this should be considered separately.

I believe the offer made of £250 in recognition of the mis-handling of Mrs M's expectations is fair and if payment has not already been made, I'd expect Acromas to now make this payment to Mrs M.

### **My final decision**

For the reasons I've explained above, I don't uphold Mrs M's complaint.

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

Thomas Brissenden  
**Ombudsman**