

The complaint

Mr and Mrs M complain that Royal & Sun Alliance Insurance Limited (“RSA”) declined a claim for damage caused by an escape of water, under their home buildings insurance policy.

Mr and Mrs M are represented by their daughter Mrs M, whom I’ll refer to in my decision.

What happened

In June 2023 Mrs M contacted RSA to make a claim relating to a water leak. Staining was apparent on the ceiling below an upstairs bathroom. Mrs M says she appointed a plumber to identify the source of the leak. She confirms the plumber found “*sealant failure*” was the cause. After this RSA arranged for a surveyor to inspect the damage. Mrs M says she was then told the claim had been declined.

Mrs M explains that her parents are elderly and in poor health. They need to use their bathroom because of their health issues but are unable to do so due to the ongoing leak. She says this has caused a great deal of distress and anxiety.

In its final complaint response RSA says there are pre-existing issues with the sealant and grout in Mr and Mrs M’s bathroom. It says this is the cause of the escape of water. RSA says that gradual deterioration and wear and tear are excluded from cover. It says the deterioration has been ongoing for some time, and for these reasons the claim was declined.

Mrs M didn’t think RSA had treated her parents fairly and referred the matter to our service. Our investigator didn’t uphold her complaint. She says the evidence pointed to the condition of the sealant and grout as the cause of the leak. This is excluded as a gradually operating cause under Mr and Mrs M’s policy.

Mrs M didn’t agree with our investigator’s findings and asked for an ombudsman to consider the complaint.

It has been passed to me to decide.

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’m not upholding Mrs M’s complaint. I realise my findings will come as a disappointment, but I’ll explain why I think my decision is fair.

It’s for the policyholder to show they’ve suffered an insured loss, flood, fire, etc. If they can then, generally speaking the insurer must pay the claim. This is unless it can reasonably rely on a policy exclusion not to.

Mr and Mrs M's policy covers them for damage due to a leak/escape of water. This is what Mrs M reported when staining was noticed on the ceiling below the bathroom above. I've thought carefully about whether it was fair for RSA to decline the claim for the reasons it gave.

I've read the surveyor's report RSA provided. This refers to their being no seal on the bath and shower screen. The surveyor says there is evidence of timber decay, which has been ongoing for some time with associated discoloration around the toilet. He concludes the report to say the leak is the result of failed sealant and grout around the bath and shower screen.

I haven't seen a report from Mrs M's plumber. However, she's clear in her complaint submission that the plumber identified failed sealant as the cause of the leak.

I've looked carefully at the photos RSA's surveyor took. These show a number of areas where there are gaps in the sealant around the bath. Overall, the sealant looks to have been applied poorly, particularly around the bath taps. In addition, there are sections of the tiles surrounding the bath where grout is missing. There appears to be a water stain on the wooden flooring next to the bath. There is a gap between the shower screen and the top of the bath. The sealant between the outside of the bath and the tiles is deteriorated and has gaps in it. The photos also show the staining to the ceiling on the ground floor beneath the bathroom.

I think these photos reasonably support the findings of RSA's surveyor and Mrs M's plumber. More specifically, that the cause of the leak is due to the condition of the sealant and grout around the bath.

Mr and Mrs M's policy terms, under the heading "*General Exceptions That Apply To The Whole Policy*" say:

"This policy does not insure the following:

...Loss or damage arising from gradually operating causes including deterioration, wear and tear, corrosion, rot or similar causes."

Based on the surveyor's expert opinion, Mrs M's plumber's findings, and the photos provided, I think RSA's conclusion is persuasive that the damage to the sealant and grouting has been ongoing for some time. This is the cause of the leak and is excluded from cover under RSA's policy terms.

Having considered all of this, although I'm sorry for the situation Mr and Mrs M find themselves in, I don't think RSA treated them unfairly when it relied on its policy terms to decline their claim for the reasons it gave. So, I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 28 November 2024.

Mike Waldron
Ombudsman