

The complaint

Mr E and Mrs E have complained that HDI Global Specialty SE (HDI) unfairly declined a claim under a home insurance policy.

As Mr E mainly seemed to deal with the claim and complaint, for ease, I will normally only refer to him.

What happened

Mr E contacted HDI to make a claim when he found damage to his kitchen that he thought was due to a leak or flooding. HDI appointed a surveyor, who visited and suggested Mr E arrange a damp proof specialist to investigate.

Mr E arranged for a damp proof specialist, who had previously installed some damp proofing measures at the property, to carry out an assessment. The specialist didn't find any issue with the damp proof course. It also didn't assess that there was rising damp. When Mr E told HDI what had been found, HDI arranged for a company to investigate further. This company carried out tests to determine how water was entering the property. It said water was entering through a bathroom extraction outlet that was no longer in use, which was then gathering in a kitchen corner. So, HDI declined the claim.

Mr E arranged for a leak specialist to carry out an assessment. This company said the damage was localised at a low level and appeared to be emerging through the ground. Mr E provided HDI with the report. When HDI reviewed it, it continued to decline the claim.

Mr E complained. When HDI replied, it said the water was entering through an extraction outlet. As the water ingress wasn't from a fixed water installation, this wasn't covered by the policy. It said this was why the claim had been declined. However, it said a contractor could have visited sooner during the claim. It offered £150 compensation as an apology for the delay.

So, Mr E complained to this Service. Our Investigator didn't uphold the complaint. He said it was fair for HDI to rely on its experts' findings, which he said were more compelling than the reports Mr E had provided. He said it was reasonable for HDI to decline the claim and for it to offer £150 for the delay in the contractor visiting.

As Mr E 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 don't uphold this complaint. I will explain why.

When a policyholder makes a claim, the onus is on them to show the damage has been caused by an insured event. With this claim, both Mr E and HDI appointed experts to try and

determine the cause. So, I've considered the evidence to see whether I think it was fair for HDI to decline the claim.

The policy said it covered:

"Escape of water

This section covers loss or damage caused by escape of water from or freezing to:

- *a fixed water installation;*
- *a fixed drainage installation;*
- *a heating installation;*
- *a washing machine, dishwasher, freezer or refrigerator; or*
- *a water bed.*

Damage to the items listed above is only covered if the damage has occurred as a result of an insured cause or cover.

This excludes:

- *damage caused by the escape of water from guttering, rainwater downpipes, roof valleys and gullies"*

When HDI's surveyor visited, he didn't find evidence of a leak from a pipe. He said the results of the tests carried out suggested the cause was rising damp, outdoor weather ingress or condensation. So, based on what the surveyor found, I think it was fair for HDI to decline the claim at that stage.

Mr E later arranged for a damp proof course specialist to investigate further. The company recommended that steps were taken to investigate the mains water feed and external drainage. Following this, HDI carried out further tests. This involved carrying out external dye and spray tests. The only place identified as allowing water to enter was an extraction vent that was behind the soil stack pipe and was no longer in use.

Mr E arranged for a leak detection company to try and find the source of the water ingress. This company said the property didn't have an original damp proof course and the damage was localised at low level and appeared to be emerging from the ground. It said it found no evidence an issue with the bathroom vent was related to the issue within the kitchen. It said it was clear the likely issue was related to the water table. It said a French drain could improve the issue.

On balance, I find HDI's report more persuasive. This showed the tests carried out and the results found. Mr E's leak detection report said there was no evidence the bathroom vent was linked to the water in the kitchen. However, the report didn't describe what checks, if any, had been carried out on the bathroom vent. It also said it was clear the issues were likely to be with the water table, but I note no water was found to be entering at ground level when HDI carried out its tests. I don't think Mr E's leak detection report showed it was more likely the water was the result of ground water.

Water entering through a bathroom vent wasn't one of the circumstances covered by the escape of water part of the policy. Mr E also didn't have accidental damage cover, so I haven't considered that part of the policy further.

Mr E was also concerned about how HDI dealt with the claim. Based on what I've seen, I think HDI took steps to assess the claim both by arranging its own assessments and considering Mr E's reports. However, when it responded to the complaint. HDI said it could

have better explained the reason for the claim decline and that there was also a delay in a contractor attending. It offered £150 compensation. In the circumstances, I think that was fair.

I'm also aware Mr E told this Service that since additional waterproofing measures have been completed, including a French drain being installed, there has been no further water ingress. I asked Mr E whether he had provided this to HDI to see whether this was something I could consider as part of my decision. Mr E confirmed he hadn't told HDI about any work he had arranged to be carried out to stop the water ingress. So, I can't fairly consider this evidence. At the time HDI made its decision about the claim and responded to the complaint, it wasn't aware of this information. All it had was the results of its own investigations and the reports provided by Mr E. So that's what I've considered to see whether I think HDI considered the claim and complaint fairly. It's my understanding that Mr E thinks the work he had carried out shows the cause was an insured risk. If that is the case, Mr E needs to provide this information and evidence to HDI so it can consider it.

So based on everything I've seen and that I'm able to consider as part of this decision, I don't uphold this complaint or require HDI to do anything further in relation to it.

My final decision

For the reasons I have given, it is my final decision that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E and Mrs E to accept or reject my decision before 1 January 2025.

Louise O'Sullivan
Ombudsman