

The complaint

Mr B and Mrs F have complained about Royal & Sun Alliance Insurance Limited's (RSA's) decision to decline their claim for damage to their kitchen floor.

What happened

Mr B and Mrs F hold a home insurance policy with RSA, which covers the buildings at their home.

Mr B and Mrs F had a new tiled floor laid in 2019 and noticed cracks in the tiles soon afterwards. They tried to get the contractor to resolve the issue without success. They then contacted RSA, who appointed a solicitor under their legal expenses cover to help them with their case against the contractor. The solicitor appointed an expert to inspect the damage and provide a report on the likely cause. They concluded it was due to heave. Mr B and Mrs F submitted a claim for the damage under their policy in 2023.

RSA appointed a loss adjuster to inspect the damage. They said the damage wasn't caused by heave because the nature of the cracks was not consistent with foundation or slab movement. They suggested it could be due to shrinkage in the original floor screed or the thermal effects of the underfloor heating. They went on to suggest there was no cover for damage to solid floors unless the foundations of the outside walls were damaged by the same cause. And they effectively suggested there was no evidence of damage to the foundations of the walls, which meant the damage to the floor was not covered by the policy. They also said that RSA could reply on an exclusion in the policy for damage caused by or from poor or faulty design, workmanship or materials.

Mr B and Mrs F complained to RSA, but it wouldn't alter its position. So, they asked us to consider their complaint. One of our investigators did this. She said it should be upheld. This was on the basis she found the report by the expert appointed by the solicitors to be most persuasive. And, as they identified the likely cause of the damage as heave, she felt RSA should consider the claim further on this basis.

RSA didn't agree with the investigator's view and asked for an ombudsman's decision. The complaint was passed to me. And I reviewed the evidence. I wrote to RSA and suggested that it should consider the damage to the floor as accidental damage.

RSA then told me it had already considered the damage as accidental and that it did not think it was accidental damage as defined by the policy. It has explained this is because it considers the most likely cause to be thermal movement or a lack of an anti-fracture mat. It has gone on to say that accidental damage in the policy means sudden, unexpected and visible damage which has not been caused on purpose. And thermal movement is not sudden. It has also pointed out there is a policy exclusion for anything that happens gradually.

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 do not consider it likely the damage to Mr B and Mrs F's floor was caused by heave, because I agree with the loss adjuster's view that the nature of the damage is not consistent with foundation movement. And, in any event, even if it was due to heave, this wouldn't be covered by the policy as there is no evidence of damage caused by heave to the foundations of the walls.

However, I do think the damage to the floor is covered by the policy. This is because, while I have noted RSA's comments, I consider the damage to Mr B and Mrs F's floor was sudden and unexpected. I agree thermal movement is gradual, but the damage Mr B and Mrs F are claiming for is the cracks in the tiles. And I am satisfied these cracks happened suddenly and unexpectedly. So, I consider that Mr B and Mrs F's claim is covered under their policy as accidental damage.

I can see the loss adjuster has in effect suggested that, even if the damage was accidental damage, RSA could rely on the abovementioned exclusion for faulty workmanship to reject the claim. But I do not agree. The expert appointed by the solicitor under Mr B and Mrs F's legal expenses cover thought the tiles had been installed correctly with care and skill. And that the works were of a high standard. And none of the possible causes suggested by the loss adjuster included faulty workmanship. Plus, RSA thinks the damage was most likely due to thermal movement. So, I am not persuaded it would be appropriate for RSA to rely on the exclusion for faulty workmanship. I appreciate that there is an argument that the contractor should have laid the tiles on an anti-fracture mat. But I do not think there is compelling evidence to say they were at fault in not doing so.

Putting things right

For the reasons set out above, I have decided to uphold Mr B and Mrs F's complaint and require RSA to settle their claim in accordance with the claim settlement terms in their policy.

My final decision

I uphold Mr B and Mrs F's complaint about Royal & Sun Alliance Insurance Limited and require them to do what I've set out above in the 'Putting things right' section.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mrs F to accept or reject my decision before 9 April 2025.

Robert Short
Ombudsman