

The complaint

Mr D has complained that Royal & Sun Alliance Insurance Limited declined a claim he made under a buildings insurance policy.

Reference to either party includes their respective representatives.

What happened

The circumstances aren't in dispute, so I'll summarise the background:

- Mr D is the leaseholder of a property. He got in touch with RSA in December 2023 to make a claim on a policy which covers his property. He said there was damage to the roof, for which he'd paid to have repairs carried out, and internal water damage.
- After carrying out an inspection and making enquiries, RSA declined the claim. It said the damage wasn't consistent with an event insured by the policy, and the water ingress was a longstanding issue.
- Mr D complained about the outcome of the claim and the way it was handled. Amongst other things, he said the roof repairs weren't part of the claim – his claim was solely for the internal damage. And he thought it should be covered under the insured event of 'any other accident'.
- RSA maintained its position in relation to the claim outcome. It didn't comment on the way the claim had been handled, beyond saying Mr D hadn't answered all of its enquiries, so it couldn't progress the claim any further.
- RSA later apologised for the way the claim had been handled, including delays and poor communication at times. And it said the damage was gradual wear and tear, which is excluded under the insured event of 'any other accident'.
- Our investigator thought RSA had acted fairly overall.
- Mr D didn't think this was a fair outcome. An agreement wasn't reached, so the complaint has been passed 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.

- When considering what's fair and reasonable in the circumstances I've taken into account relevant law and regulations, regulators' rules, guidance and standards, codes of practice and, where appropriate, what I consider to have been good industry practice at the time. Whilst I've read and taken into account everything said by both parties, I'll only comment on the points I think are relevant when reaching a fair outcome to this dispute. That's a reflection of the informal nature of this Service.

- There's been a lot of discussion and disagreement about a witness statement RSA took from Mr D. RSA has apologised for the way the matter was handled. It's not submitted the statement to this Service, so I haven't taken it into account when considering this complaint. As a result, any concerns Mr D may have with the statement can't disadvantage him in relation to this complaint.
- Mr D has been clear his claim doesn't include the roof – only the internal damage – and isn't for storm, but for the insured event of damage caused by 'any other accident'. So I'll consider whether it was fair for RSA to decline the claim for internal damage under the 'any other accident' section of the policy.
- When it declined the claim, RSA initially relied on two main reasons for doing so:
 - Firstly, that Mr D hadn't shown the damage was caused by an insured event.
 - Secondly, that Mr D hadn't answered RSA's enquiries.
- It later relied on a third reason: that damage caused gradually by wear and tear is excluded under the 'any other accident' section of the policy. It would have been preferable for RSA to have specified this reason earlier. But I think it's consistent with the reasoning it gave when raising the first point – it said the internal damage had been 'ongoing for some time' and was 'longstanding'.
- I'll consider each point in turn.

Has Mr D shown the damage was caused by an insured event?

- RSA initially considered the claim under the storm section of the policy. I can understand why it did so. The initial claim appeared to be for the roof, as well as the internal damage, and mentioned rain damage. So I think it was fair for RSA to consider whether the roof and internal damage had been caused by storm damage.
- RSA didn't think storm had caused the damage. And Mr D later said the builder told him the damage may have been brought about by tiles falling into the valley and damaging it – perhaps due to seagulls dislodging tiles. So I think it would have been fair for RSA to consider the 'any other accident' section of the policy at that time.
- It later did so and said the internal damage would be covered under this section 'in principle' but 'strict proof issues remain outstanding'. It's not clear what RSA meant by this. But I don't think it meant RSA accepted the damage was covered under this section, as Mr D has suggested.
- The word 'accident' isn't defined in the policy, so I'll give it its ordinary, everyday meaning. In my view, an accident is something which is unexpected and unintended.
- I haven't seen anything to suggest Mr D caused the internal water damage or ought to have expected it to happen. As a result, I'm satisfied the internal damage was caused by the insured event of 'any other accident'. That means I disagree with RSA on its first reason for declining the claim.

Has Mr D answered RSA's enquiries?

- RSA asked Mr D for further information in relation to a number of points. I can understand why it did so. The initial claim appeared to be for the roof, and it had

already been repaired by the time the claim was made. So it was reasonable for RSA to make enquiries about the nature of the roof damage and the repairs in order to consider the claim against the policy terms.

- When it became clear the claim was only for the internal damage, and wasn't for storm, it was reasonable for RSA to consider how that damage had been caused. And I think that reasonably included consideration of the roof damage and its cause, as the roof and internal damage may have been closely linked. So I can understand why RSA continued to seek such information from Mr D.
- But I don't think all of RSA's enquiries were as relevant by that time, especially after RSA had inspected the roof and found the repairs had been carried out. For example, the breakdown of the roof repair invoice, evidence to show the repairs had been carried out, and the like, were unlikely to provide any material information about the internal damage and its cause. I don't think these enquiries were inappropriate or unreasonable – but they distracted from the key considerations in my view.
- Mr D seems to have interpreted RSA's enquiries to mean it accused him of fraud. I haven't seen any evidence to show RSA made such an accusation. It was entitled to make reasonable enquiries as part of investigating the claim. Whilst some of its enquiries became less relevant later in the claim, I'm satisfied its enquiries were reasonable overall.
- RSA wasn't satisfied with the information Mr D provided. It relied on a policy term which said it could decline a claim if Mr D didn't provide a 'statutory declaration of the truth of the claim'. It later also said its enquiries hadn't been answered, so it couldn't progress the claim, though it didn't specify a policy term in relation to this.
- RSA later apologised 'for the poor drafting' of the witness statement and accepted responsibility for some communication problems related to it. So it seems to have accepted Mr D had good reason to be concerned about agreeing to the statement. In these circumstances, I'm not satisfied it was fair to decline the claim by relying on the policy term relating to a declaration.
- Mr D said he'd provided everything he could. RSA may not have had all the information it ideally wanted to – but it didn't raise any other policy term that would entitle it to decline the claim for what it perceived to be insufficient information. And, as noted above, some of the enquiries it considered outstanding were unlikely to make a material difference to the claim. So I would have expected it to make a decision on the strength of the information it had. That means I disagree with RSA on its second reason for declining the claim.

Has RSA shown the internal damage was caused gradually by wear and tear?

- Overall, I'm satisfied the internal damage was caused by the insured event of 'any other accident' and RSA should have considered the claim under this section, on the strength of the information Mr D provided, as well as any other relevant information.
- RSA later did so. It noted that section excluded damage caused by gradual wear and tear. It thought this was how the damage had been caused, so it was fair to decline the claim. RSA relied on its inspection report to reach this position. Mr D has said it wouldn't be fair to consider that report.

- Whilst the report was prepared by an individual working on RSA's behalf, that doesn't mean the report is biased or otherwise inappropriate to consider. It's common in the industry for an insurer to employ or appoint a suitable individual to consider damage and provide their genuine professional opinion. This is usually quicker and cheaper than other options, which benefits both parties. And a policyholder is always entitled to challenge such an opinion by taking their own professional advice if they wish – which the insurer would be expected to consider.
- This particular report was prepared by an individual with relevant qualifications. It was based on an inspection, included numerous colour photos of relevant areas, and an explanation of their professional opinion. In my view it's appropriate, and relevant, to consider it. I also note, despite his concerns with the opinion expressed within the report, Mr D hasn't provided an alternative professional opinion to challenge RSA's. So I only have one professional opinion available to me to consider.
- In summary, the report is quite clear that new tiles are present – some of which are directly above the area of water damage. It also said there was some discolouration to timbers in the roof space in the same area. The report noted there were gaps between tiles – and daylight could be seen entering from the roof space. It also said the internal damage was still damp – despite the inspection coming around eight months after the roof repair, by which time the damage would usually have long dried out. It's clear from the report a damp meter was used to inform these comments.
- As a result, RSA thought the internal damage was a longstanding, gradual wear and tear problem. It said the evidence didn't point to a singular event. Based on the evidence available to me, I'm satisfied that's likely the case. I'll explain why.
- If RSA was wrong, and the internal damage wasn't caused gradually by wear and tear, it would have been caused suddenly. But I haven't seen any evidence to show that's likely the case. There's nothing to suggest the water damage was caused by a leaking pipe or similar. Nor that it was caused by, or as the result of, a storm.
- It's possible there was sudden damage to the roof, and that allowed rainwater to suddenly enter and cause damage internally. Mr D has said the builder told him tiles may have slipped and damaged the valley, causing damage which allowed rainwater to enter. And the tiles may have slipped due to seagulls dislodging them. But I understand this was suggested as a mere possibility. And I haven't seen any comments from the builder – or another party – to set out a professional opinion about it. So I'm not persuaded it's been shown this is likely what happened.
- Overall, that means there's no evidence to show a sudden cause of damage to the roof. It's clear roof repairs have been carried out, and to the area directly above the water damage, as well as other areas. RSA's inspection report noted the internal water damage remained damp, around eight months after the roof repairs. It thought this meant the roof repairs hadn't fully resolved the water problem – and the problem was ongoing. Given these findings were made by a professional, based on damp meter readings, I'm persuaded by them. They're not consistent with the water damage happening suddenly – they're consistent with a longer term water problem, which is more in keeping with gradual wear and tear.
- My findings are based on the strength of the evidence available to me. Mr D is entitled to gather further evidence, if he wishes, and share it with RSA. If so, I would expect it to reconsider the matter afresh.

Did RSA handle the claim fairly?

- RSA has accepted it caused delays and communicated poorly at times, and apologised for these failings. I think that was the right thing to do, as these failings would have caused Mr D some avoidable distress and inconvenience.
- In the circumstances, I'm satisfied an apology is sufficient and I don't think RSA needs to pay compensation for its claim handling failings.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 28 May 2025.

James Neville
Ombudsman