

## **The complaint**

Mr W complains The National Farmers' Union Mutual Insurance Society Limited handled his business insurance claim poorly.

NFU's been represented for the claim by contractors. For simplicity in places, I've referred to the contractors' actions as being NFU's own. Mr W's been represented at points. For the same reason I've referred to his representatives' actions as being his own.

## **What happened**

Mr W runs a small guesthouse business. The property was insured by NFU under a business policy. In December 2022 Mr W made a claim for loss caused by escape of water. The property had been damaged by water.

NFU appointed a loss adjuster (LA) to handle the claim. A further agent (R), a damp specialist, was appointed to identify the source of damage. NFU accepted two separate claims for the property, on the basis there had been two separate leaks causing damage. NFU identified that the property was underinsured. That meant, if its contractor undertook reinstatement works, Mr W would be required to contribute around 25% of its costs. After some back and forth NFU paid, in February 2023, a cash settlement for loss to the basement. That would allow him to use his own contractor.

Mr W arranged the reinstatement works. However, after completion there continued to be a problem with water damage. It was identified that the source of ingress was rotten bricks behind an external downpipe. Mr W says this had been the main source of water ingress and damage to the basement. He complained to NFU that as it, and its agents, had failed to make him aware of it he hadn't arranged for the problem to be addressed before reinstatement works - resulting in additional damage.

In response NFU didn't accept it had got anything wrong. It said the LA and R had confirmed Mr W had been made aware of the causes of the damage on multiple occasions. Mr W wasn't satisfied with that response, so referred his complaint to the Financial Ombudsman Service.

Mr W said NFU is responsible for the basement being waterlogged and in a similar condition to before the reinstatement works. He said he has lost his guesthouse business, being unable to afford to rectify the problem. To resolve his complaint, he would like NFU to repair the damage to the property and compensate him for loss of income and distress.

Our Investigator didn't recommend the complaint be upheld. She was satisfied NFU's agents had likely highlighted the issue with the downpipe during site visits. So she didn't recommend NFU do anything differently. As Mr W didn't accept that proposed outcome, the complaint was 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.

As this is an informal service I'm not going to respond here to every point or piece of evidence Mr W and NFU have provided. Instead, I've focused on those I consider to be key or central to the issue. But I would like to reassure both that I have considered everything submitted.

Mr W complains NFU's agents didn't inform him of the main source of water ingress – water entering through damaged bricks to the rear of an external downpipe. In response NFU said it informed Mr W of multiple issues - including there being an issue with the downpipe.

There's no evidence to confirm, beyond doubt, that NFU did inform Mr W of the down pipe issue. On the other hand, it can't be confirmed that it didn't. So having considered the available evidence I've decided, on the balance of probabilities, what happened.

R produced a trace and access report dated 23 January 2023. It followed a site visit, by an engineer (E) 12 days earlier. The report records six issues contributing towards the damp or water damage in the property. Under 'External Inspection' it records an overflow to be dripping against an external wall, along with soil pipe and a downpipe

It also notes there to be a 'gutter, downpipe or drain issue'. It states, alongside a photo of the downpipe, 'discharging against the wall before dissipating into floor gulley'. The report includes several other photos of the downpipe. In its conclusion the report states 'Slow drip from the waste stack to the exterior of the building which is dripping against the wall. Rainwater downpipe is discharging straight onto wall instead of having a flush flawless approach into gulleys'.

I accept Mr W wasn't provided with a copy of R's January 2023 report until recently. However, the report states that 'Discussion has taken place with the PH representative on site regarding the issues'.

NFU's provided an email, dated 31 January 2023, from R to the LA. In this R sets out the six issues noted in the January 2023 report. It explains that E highlighted all to Mr W, advising if he doesn't get them all sorted before the property is reinstated damp and damage will reoccur.

Following Mr W's complaint R asked E about the matter. E is noted as recalling showing Mr W all the issues, including the external ones. He is said to recall showing water discharging from the pipe, soaking the wall. He remembered telling Mr W he needed to find a plumber for some issues and a builder for others. E also referenced several phone calls with Mr W in which he discussed the various issues that needed to be addressed. Call notes, from January 2023, support conversations having taken place, noting he advised leaks must be repaired. The notes don't, however, specifically refer to the downpipe.

The LA has said he visited the property after R's January 2023 assessment. He says during these the issues discovered by R were discussed. He claims Mr W showed him the problems. I haven't seen a record of these visits.

I haven't detailed all the evidence NFU's provided to support Mr W having been made aware of the problem with the down pipe. I've just outlined what I consider the key, or most persuasive, evidence. I've also considered all the comments and evidence provided by Mr W including that R and the LA didn't make him aware of the problem.

Having done so, whilst Mr W wasn't provided with R's January 2023 report, I think he most likely was advised of the issue with the downpipe discharging onto the wall. The problem

was identified by R. It was noted and recalled as having been discussed with Mr W by both the LA and R. I accept its possible it wasn't, but the evidence points to it most likely having been.

Mr W has said R's report doesn't mention rotten or damaged bricks allowing water ingress. Instead, it simply refers to water discharging onto to the wall. I accept that. However, I consider by informing him of the downpipe discharging directly on to the wall, rather than down a gully, NFU's agents did enough to reasonably bring the issue to his attention.

When investigating cause of internal water damage to the property R highlighted an issue with the external pipework. It noted water discharging on to the wall, rather than down the gully. I consider that enough to bring to Mr W's attention the possibility that water was entering the property through the wall - and that it's something that should be addressed before reinstatement works. I wouldn't expect NFU, when the pipework wasn't covered by the claim, to detail the exact remedial work required.

I accept this will be frustrating for Mr W but, on balance, I'm satisfied NFU did enough to make him aware the relevant source of water ingress.

### **My final decision**

For the reasons given above, I'm not upholding Mr W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 8 July 2025.

Daniel Martin  
**Ombudsman**