

The complaint

Mr B is unhappy that Advantage Insurance Company Limited (“Advantage”) unfairly declined his claim for damage following a leak. Advantage was providing a home insurance policy.

What happened

Mr B walked into his home to find a significant leak by his sink had caused water to flood his kitchen and overflow to parts of his lounge.

Mr B made a claim. Advantage validated the claim and asked Mr B to take part in a video call, so that it could properly assess the damage. Advantage decided to decline the claim.

Advantage said “Our in-house surveyors have reviewed the claim and confirmed the damage isn’t consistent with the event reported. The flooring and underlay show no water damage; a section of the underlay is close to the rot. The rot to the chipboard is consistent with a slow long-standing leak rather than being sudden, and it pre-dates the policy inception. If the event occurred as reported, the kitchen units and plinths would also have visible water damage”.

Mr B is unhappy with the decision. Given the amount of time that has passed he’s now had his floor repaired in his kitchen at a cost of £1,100. So, he wants Advantage to settle the claim for £600 (after considering the £500 policy excess). He also wants compensation for the delays.

Our investigator decided not to uphold the complaint. He thought Advantage had fairly declined the claim in line with the policy terms. Mr B disagreed, so the case has been referred to an ombudsman.

My provisional decision

I made a provisional decision on this on 10 March 2025. I said:

“I intend to uphold this complaint. I’ll briefly explain why.

In its final decision, Advantage explained that “your claim was studied, and it was determined that the damage is consistent with a slow, long-standing leak rather than a sudden one”.

Having checked the policy, it does exclude damage that is caused by “Loss or damage caused by wear and tear or any other gradual causes including costs that arise from the normal use, maintenance and upkeep of your buildings”. Therefore, I can see why Advantage has declined the claim, having explained the damage was caused gradually as opposed from a one-off event.

However, for Advantage to rely on the exclusion within the policy, the onus is on it to prove this was likely the case. I don’t think it has done enough to prove this, so I intend to uphold the complaint.

Advantage reviewed the claim via a video call with Mr B. It has explained that it is entitled to follow this route, as it helps Advantage to minimise its costs. However, I think for the claim that has been made, I think it would be more in keeping with the industry norms to have sent a surveyor out to the property to physically inspect the damage.

I've reviewed the video evidence of the damage and I don't find it particularly persuasive. The top layer of the flooring had already been removed. Somehow Advantage had concluded the flooring and underlay hadn't been damaged. I'm not sure how it reached this conclusion based on the evidence I've reviewed.

Given Advantage have said the flooring and underlay was undamaged, I'm unsure how visible a long-standing leak would've been for Mr B to detect. Mr B has said it would be unusual to expect a homeowner to routinely check all pipe fittings in a home haven't deteriorated. I have some sympathy with this argument, I think the average householder would only think there was a problem, if there was physical evidence of a leak.

Advantage haven't denied there was a significant leak. Mr B made a claim as soon as he was aware. So, as Mr B was covered for escape of water under his policy, I intend that Advantage cover the claim. For the reasons, set out, I don't think it's reasonable for Advantage to rely on the exclusion to decline the claim.

Normally, I would ask Advantage to visit the property to re-review the claim. But given so much time has passed, this is no longer possible. Therefore, I intend that Advantage pay the £600 Mr B has asked for. I've checked the receipt and the policy excess has been considered.

Given Mr B has had to live with a damaged kitchen for over six months due to the issues with this claim, I intend that Advantage pay Mr B £300 compensation for the distress and inconvenience caused".

Responses to my provisional decision

Mr B accepted my provisional decision, and he didn't have anything further to add.

It wasn't clear if Advantage partly accepted my decision, but they did reject the level of compensation. Advantage asked for more clarity on the settlement that needed to be paid.

Advantage asked if I'd checked the images it had sent in its complaint file. Advantage thinks the compensation should be lower. It said, as the claim was declined it's possible Mr B had the kitchen rectified sooner and he didn't live in it whilst it was damaged. Advantage also said the impact of a damaged floor on Mr B would've been minimal as the kitchen remained functional.

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.

Mr B paid £1,100 to a contractor to have his floor repaired. To clarify, as the excess on the policy is £500, I've asked Advantage to pay the £1,100 less the excess, so £600 for the settlement of the claim.

I did check the images that had been in Advantage's file. These were the photographs that were provided by Mr B to support his claim. I think Advantage's arguments would've been more persuasive if an expert had physically inspected the damage at the property.

Advantage didn't seize this opportunity. As I don't think Advantage have proven its more likely the damage to the flooring was caused gradually, I think it should still honour the claim.

Advantage suggested Mr B may have had his floor repaired straightway. The receipt for the work was nine months after the damage occurred. Mr B lived with the floor stripped out for most of this period. So, whilst his kitchen may have been in a functioning condition, I think most people would find it distressing to live with the kitchen in this condition for such a long time. Therefore, I think the compensation is fair for the level of distress suffered.

My final decision

My final decision is that I uphold this complaint. I require Advantage Insurance Company Limited:

- Cash settle the claim for £600
- Pay Mr B £300 compensation – for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 11 April 2025.

Pete Averill
Ombudsman