

The complaint

Mr H and Mrs H have complained that U K Insurance Limited trading as Privilege Insurance (UKI) unfairly declined to carry out trace and access under their home insurance policy.

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

What happened

Mr H made a claim online. He wanted to arrange trace and access because he had found water leaking when he switched his shower on. He said there was no damage. Mr H then spoke to UKI to discuss the claim. UKI declined to provide trace and access cover because it said there was no damage. Mr H disagreed, including because he said it wasn't possible to know if there was damage as the water was leaking behind the shower.

When Mr H complained, UKI didn't uphold it. It said that as no damage was visible and Mr H knew where the leak was, it couldn't appoint a supplier to carry out trace and access. It said that for an escape of water claim to be valid, it must be causing damage to the property. It also confirmed the policy didn't cover the appliance or plumbing.

Mr H complained to this Service. Our Investigator didn't uphold it. She said the policy covered damage caused by a leak, but not the appliance itself. UKI had asked if there was any damage and he said he couldn't see any damage. UKI had also told Mr H that if he found damage he could get back in touch. She said Mr H also had a good idea of where the leak was located.

Mr H didn't agree. He said the policy said it covered the tracing of any leak and the policy had been worded to create confusion. He said he wasn't expecting any financial recompense, but he wanted UKI to admit it was wrong. He said he was honest in saying the leak was behind the shower and that he couldn't see what damage it had caused. It had used that as a get out from having to do anything. So, the complaint was referred to me.

I issued my provisional decision on 6 March 2025. In my provisional decision, I explained the reasons why I wasn't planning to uphold the complaint. I said:

Mr H has said UKI worded the policy to create confusion and to get out of covering his claim. So, I've looked at this. The Buildings section of the policy explained the cover provided. It had a heading that said "A Core cover" and the next sentence said "Your buildings are covered for loss or damage caused by". It then listed the core cover, which included "Water or oil escaping from fixed water or heating systems". So, I think the policy was clear it covered damage caused by an escape of water. The core cover also listed trace and access. This said it would "find the source of the leak... that is causing damage to the buildings". So, I also think the trace and access wording was clear that the leak had to be causing damage to the buildings for this cover to apply.

UKI declined to provide trace and access cover because it said there was no damage. So, I've looked at whether this was fair.

I've listened to the phone call between UKI and Mr H after he submitted his online claim for trace and access. The call handler said Mr H's form said the shower leaked when it was switched on, there was no damage, it just needed to be repaired and possibly a pipe had come loose. The call then continued:

Call Handler: Now the bit for the insurer it... is there any water damage that you can see at the minute?

Mr H: No, there's no water damage. No.

They then discussed how Mr H knew there was a leak. Mr H described the shower cubicle and that instead of the water coming out the shower head, it was running down the back of the cubicle, which he couldn't get into. The call handler said that if there was no water damage but there was water running down the back, that was enough to go to the next stage.

Call handler: So, no visible damage, but you can see water trickling down the back. So, possibly some internal damage that we can't see, I'm guessing.

Mr H: I don't think there will be because we switched it on and it didn't work, the shower head. We switched it off immediately so probably maybe a cup of water went down the back of it or something like that. But there's not a lot. So, I don't think there'll be any serious damage.

The call handler looked at the options available. He said it appeared there wouldn't be any water damage because Mr H switched it off quickly. He said he assumed the pipe was concealed. Mr H said it was behind the shower cubicle, which would need to be pulled out to get into it. The call handler said UKI would only send a team to deal with it if there was water damage. He said if there was no visible water damage there was no claim for UKI because nothing had happened to the property, as a pipe had just come loose. Mr H then said he couldn't tell whether there was any damage to the property until someone came out. The call handler said UKI's position was that there was no claim for it at that time because there was no damage. He said this meant the claim was passed back to Mr H to get a tradesman to get to the pipe. If Mr H then discovered there was water damage, UKI would take over.

Mr H said he didn't know where the water leak was coming from and he wanted UKI to trace it. The call handler said it wasn't clear there was a leak and there was no damage. Mr H said he didn't know if there was damage as he couldn't see and that he wanted UKI to trace it to see if there was damage. UKI said it would only trace it if there was visible water damage. Mr H asked how it was possible to see if there was water damage unless UKI traced it. UKI said the policy said there had to be visible water damage. Mr H said it didn't say that and it just said UKI would trace a leak. He said he was blind and that he couldn't see the damage. The call handler checked with Mr H whether he was blind. He said he was. UKI said it had to go by the first summary, which was that there was no visible damage. Mr H said he couldn't see it. The UKI call handler noted on its records that Mr H was blind. He also said he would change the claim slightly and he would arrange for the trace and access team to contact Mr H.

I think it was reasonable for UKI to accept Mr H's initial view that there wasn't any damage. It asked Mr H a direct question and he gave a clear answer that there was no damage. UKI then suggested there might be internal damage. Mr H disagreed with this and said he thought this was unlikely as so little water had escaped. So, I think it was fair for UKI to say there was no cover at that time. It also said that if Mr H arranged his own contractor to carry out the work and damage was found, it would consider this. When Mr H said he was blind, it

passed the claim to the trace and access team to check if there was cover. I think that was fair.

The following day, UKI contacted Mr H again to discuss the leak detection and that he had made a complaint. I've also listened to that call. Mr H said he didn't know if there was water damage. UKI said if there was no visible damage, it wasn't liable at that stage. It said Mr H would need to get the work done and to get back in touch if there was damage. Mr H said the policy covered any fixed domestic appliances for leaks and that he knew exactly where the leak was. He said UKI was trying to get out of dealing with it.

UKI said there needed to be damage. Mr H said there was damage as the water was coming through the kitchen ceiling. UKI asked Mr H to send photos. Mr H said he could take photos if he turned the water on again and he would let it drip through the ceiling. He asked whether UKI wanted him to increase the damage. UKI confirmed it didn't, but said it needed evidence. It said it didn't want a picture of the leak, it wanted a picture of the damage. But, it said Mr H had said there was currently no visible water damage. It said if any water damage was found, Mr H could contact UKI again. Mr H said that because he couldn't see damage, UKI was assuming there was no damage. Mr H said the policy covered water escaping from a fixed appliance. UKI checked whether Mr H was visually impaired. Mr H said he wasn't. He asked UKI to confirm it didn't cover leaks. UKI said it covered the resulting damage. UKI again confirmed that if water damage was found, Mr H should document it and get in touch. Mr H said the policy didn't say anything about damage. It was agreed that there was nothing further that could be achieved through the conversation and that a complaint would be logged.

I think it was reasonable that UKI asked for evidence of damage to the kitchen ceiling. This wasn't mentioned during the first phone call and it might have made a difference to whether trace and access was covered under the policy. Mr H said he couldn't provide evidence of the ceiling damage without turning the water on again. I think it was reasonable that UKI took this to mean there was no evidence of damage to the kitchen ceiling at that time. It also made it clear that if Mr H found damage, he could provide evidence of this to UKI and it would consider it.

Mr H also complained that the policy didn't cover the appliance or plumbing. From what I've seen, UKI correctly explained the cover during the phone calls and when it responded to the complaint. The policy wording said it didn't cover tanks, pipes, appliances or heating systems themselves.

So, having thought about this complaint, I think it was reasonable that UKI didn't carry out trace and access. As a result, I don't currently intend to uphold this complaint or to require UKI to do anything further in relation to it.

I asked both parties to send me any more information or evidence they wanted me to look at by 20 March 2025. UKI didn't reply. Mr H replied and, in summary, said:

- He agreed with most of what I had said. But he felt I had been selective in what I had quoted from conversations and correspondence with UKI. He wasn't sure whether this was an oversight by me or whether UKI had been economical with what it had said.*
- When UKI had asked if there was any damage, he had initially said not to his knowledge, but that as he couldn't move the shower, including because of his age and health, he couldn't confirm this.*
- UKI said he had to confirm damage. Mr H had said he wasn't a building inspector and wouldn't know if there was any damage to the building structure.*

- When he told UKI water was coming down through the kitchen roof, he had told UKI he couldn't ascertain any damage to the roof beams without removing the ceiling. He assumed it was within UKI's remit to ascertain the damage.
- I was correct that there was no visible water damage, due mainly to the shower cubicle blocking access to determine this.
- The statement "*no visible damage*" assumes there is no damage to the ceiling joists, which couldn't be confirmed without access.
- The fact he had continually said there was no damage shouldn't negate the policy terms and conditions, which he assumed would send a qualified inspector to determine if there was any damage. This wasn't done.
- If the ceiling collapses within the next year or so due to the damage to the ceiling joists, possibly causing death or injury to the occupants, he questioned whether UKI would be liable for not properly investigating.
- It said a lot that I had said the call handler assumed there was no damage. He questioned how they knew, and whether they had made an assumption, there was no damage because Mr H had said he didn't think there was. He questioned why I had also assumed there was no damage. He had also later said he couldn't confirm if there was any damage.
- It was ludicrous for the ceiling to have to collapse before someone confirmed there was damage.
- UKI seemed to want him to remove the shower and the roof to determine if there was damage. He said the trace and access policy wording should be changed to include the words "*unless you can't see any damage*".
- He questioned what would happen if a roof tile had come off the roof.
- I had said it was reasonable for UKI to ask for evidence of the leak into the kitchen. He had offered to do this by turning the shower on again, causing more damage. I hadn't mentioned that UKI had said that would be deliberate damage. When asked how he could provide proof, UKI couldn't answer.
- Mr H said he was fully aware he would have to replace the pipe himself. He took exception to the insinuation he had complained about the plumbing. He complained solely on the basis of the policy wording, which stated that trace and access was covered. UKI had reneged on this.
- He had to disagree that it was reasonable that UKI didn't trace and access the leak. It was against the policy wording and open to interpretation. There were several assumptions by UKI and me, including that someone of his age should be able to determine if there was damage and the selective nature of not reporting some of the replies he gave to questions.
- He thought UKI was wrong in its assumptions and I seemed to be backing them up. I was wrong in doing so.
- He thanked me for investigating, but had to disagree with my initial findings.
- He didn't want recompense but wanted UKI to be censured for the policy wording, which was obviously not valid for a legitimate claim and left him questioning why wording saying it would cover trace and access for any leak suddenly became "*only in certain circumstances*". The fact this wasn't mentioned in the policy was fraudulent.

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 and for the reasons given in my provisional decision. As part of that, I've thought about Mr H's comments in response to my provisional

decision. But, this doesn't change my view about what is a fair and reasonable outcome to this complaint. I have focused my comments on what I consider to be key to making a fair and reasonable decision.

When a policyholder makes a claim, the onus is on them, not the insurer, to show that an insured event has taken place. The policy wording said there needed to be damage for a claim to be made under the part of the policy that covered water leaks and trace and access. I remain of the view that the wording is clear.

I summarised what was said in the phone calls by listening to the call recordings. I listened to those calls in their entirety and was aware of everything that was said. The parts I quoted or highlighted were those that I considered relevant to my decision.

When Mr H completed the online form, he said there was no damage. When Mr H spoke to UKI, he was asked a direct question and he said there was no water damage. UKI suggested there might be internal water damage. Mr H said he didn't think that was the case and gave his reasons for this. Based on this, I think it was fair for UKI to decide there wasn't any damage.

I'm aware that when UKI then said there was no cover, Mr H said he couldn't be sure of this. This doesn't change my view about the claim. I think it was fair for UKI to rely on Mr H's responses when the claim was first discussed. UKI also explained to Mr H that if damage was later found, he could get back in touch. I remain of the view that UKI dealt with the claim and complaint fairly.

My final decision

For the reasons I've given above and in my provisional decision, my final decision is that this complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 18 April 2025.

Louise O'Sullivan
Ombudsman