

## **The complaint**

Mr and Mrs T are unhappy esure Insurance Limited (Esure) declined a claim made under their home insurance policy.

Where I've referred to Esure, this also includes any agents acting on their behalf.

## **What happened**

Mr and Mrs T have held home insurance with Esure for around five years. In late 2023 they contacted Esure to make a claim for damage caused by an escape of water to their bathroom, and the room directly underneath.

Esure carried out an inspection and declined the claim. They concluded the damage had been occurring over time and was due to failed sealant and grouting in the shower, both of which are excluded under Mr and Mrs T's policy.

In May 2024 Mr and Mrs T tried to make a claim again for the damage, which had become worse since the previous inspection and claim decline. Mr and Mrs T said the damage wasn't caused as a result of failed sealant, and instead was due to a leaking toilet connection and they thought Esure should've identified this as the cause on the first inspection.

Esure carried out another inspection. They concluded there were multiple issues including the sealant, grout and the leaking toilet. But Esure maintained the exclusions applied as the damage had occurred over time, so they again declined the claim.

As Mr and Mrs T remained unhappy, they approached the Financial Ombudsman Service.

One of our investigators looked into things but she didn't uphold the complaint. The investigator agreed with Esure's view that the damage had occurred gradually over time, and was partly due to the sealant and grout, both of which are excluded under the policy. So, she said Esure hadn't acted unfairly by relying on the exclusions and declining the claim.

Mr and Mrs T didn't agree so the case was passed to me for a final decision.

## 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, whilst I appreciate it'll come as a disappointment to Mr and Mrs T, I've reached the same overall outcome as our investigator.

Mr and Mrs T's insurance policy does provide cover for damage caused by escape of water. However, the escape of water policy cover excludes:

*"We will not pay for loss or damage:*

*...*

- caused by failure or lack of appropriate sealant and/or grout*
- caused by any gradually operating cause"*

There are also similar wider general exclusions which apply to all sections of the policy:

*"We will not pay for loss, damage or any liability resulting directly or indirectly from:*

*...*

- wear and tear*
- loss or damage as a result of the lack of maintenance*
- loss of value over time; or*
- loss or damage that happens gradually over time (for example, loss or damage as a result of wet rot or dry rot, or loss resulting from wet rot or dry rot, rusting, corrosion, the affects of light or the atmosphere, damp, condensation, fading, moths, vermin, birds, insects, fungi or other gradual deterioration)."*

I've seen the reports from when Esure inspected the damage reported in late 2023 and again in 2024. Having considered these reports, I find the conclusions outlined persuasive, and I also think the photographs support the conclusions Esure reached.

During the inspection in late 2023, Esure concluded that the damage had been occurring gradually for some time and was likely due to failed sealant and grout in the bathroom. I don't think Esure reached an unreasonable conclusion, and in my view the photographs taken support that this damage would have been occurring, visibly, for some time before the claim was made. I say this because the sealant is visibly deteriorated, the flooring around the shower appears to have dropped in places and there is staining and discoloration to the room below, which also appears to have happened over a long period of time.

As Mr and Mrs T's policy excludes damage caused by failure or a lack of sealant and grout, and more generally damage which occurs gradually, and in my view the images support the conclusions Esure reached, I don't think they acted unfairly by declining the claim at that stage based on these policy exclusions.

Mr and Mrs T say that after the claim was declined, there was continued ongoing damage being caused by a leak, and a sewage smell which also got worse over a number of months too. Therefore, they arranged for a plumber to visit. The plumber identified a leak from the toilet and said it looked like this had never been connected correctly, the installation was incorrect as the pipework was on an incline, and these issues could have caused the leak and damage. They also said the leak had caused the flooring in the bathroom to move, along with leaking into the room below.

Based on this, it appears the plumber considered the leaking toilet was a longstanding issue which had caused damage over time. Mr and Mrs T also appear to agree with this, as they also say that if Esure had investigated further at that first visit, they would have found the leaking toilet and that it had been dripping over a long period of time. So, it appears both Mr and Mrs T, and their plumber, agree that the leak has been ongoing causing damage for some time, i.e. gradual damage (which is excluded under the policy), rather than a one-off escape of water.

As outlined above, I don't think Esure reached an unreasonable conclusion when they first visited, and the images support the conclusions they reached at that time that it was due to sealant and grout issues. So, I don't think Esure acted unreasonably by not identifying a leak from the toilet at that time. But regardless of whether it was the shower, toilet, or combination of both, and the toilet had been discovered leaking at the first visit, the images support the damage had been occurring gradually, visibly, before that first visit happened either way. Therefore, even if the toilet had been identified by Esure at that first visit as a cause of the leak, the claim outcome still would've been the same, as gradual damage is excluded in any event.

When Esure visited a second time, they maintained the claim decline based on the damage occurring gradually and historic issues with sealant and grout. And I don't think those conclusions reached were unreasonable, as the images support them. The damage first declined by Esure hadn't been repaired after that first visit either (which also showed gradual damage at that time), and Mr and Mrs T already say the damage had worsened gradually over time after that visit too.

I recognise it is Mr and Mrs T's view that it wasn't the sealant or grout, but I think the conclusions reached by Esure were reasonable, and that this was at least, in part, a cause of the damage. But regardless of that, the policy excludes damage which occurs gradually, and I'm satisfied that when the claim was first made, it's clear damage had visibly been ongoing for some time (whether from the toilet or sealant and grout) and the damage then worsened leading up to the second visit some months later.

With the above in mind, I'm not persuaded the damage has been caused by a one-off escape of water, and instead has occurred gradually over a period of time, which is excluded under the policy. Therefore, I don't think Esure has acted unfairly by declining the claim.

Mr and Mrs T are also unhappy that Esure said the damage occurred before the policy inception in 2023, but they'd had a policy for five years. However, each policy year is a new annual contract, but this wasn't a reason the claim was declined in any event.

**My final decision**

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T and Mrs T to accept or reject my decision before 23 May 2025.

Callum Milne  
**Ombudsman**