

The complaint

Mr D complains about Advantage Insurance Company Limited (“Hastings Direct”) for declining his claim for damage caused by an escape of water. He wants Hastings Direct to settle his claim and pay for the damage.

What happened

Mr D insured his home with Hastings Direct.

In September 2024, Mr D discovered that water had been leaking from his bathroom floor into the garage beneath it and had damaged the electrics in the garage.

He removed his bath panel and observed that the floor underneath his shower/bath unit was soaked and that potentially damage had been caused to the joist under the floor. He registered a claim with Hastings Direct.

The agent for Hastings Direct asked him when the leak had begun. Mr D made an educated guess, based on the extent of the damage and the use of the unit that it may have begun leaking around May of that year. He did not know this, however, as he had been unaware of the leak until discovering the damage to the garage.

The agent for Hastings Direct began a video call with him. The agent took still photographs from that call and identified that there may have been an escape of water through the jets in the jacuzzi style bath, and that there were potentially some seals missing around the bath.

Based on those photographs and the agent’s assessment during the video call, Hastings Direct declined his claim. It argued that the damage had developed over time, and it pointed to wording in the policy which generally excluded damage which occurred over time, or which was a result of a failure to properly maintain the building.

Mr D complained. He provided evidence from his builder and from a professional who visited his home regularly to confirm that the source of the leak had been a broken pipe from one of the jacuzzi jets, and to support that Mr D took good care of his home.

Hastings Direct rejected Mr D’s complaint and maintained its decision to reject the claim in full.

Mr D contacted us.

Our investigator reviewed the matter and considered that Hastings Direct’s decision was reasonable. They felt that the photographs showed damage which had developed over time and so thought that this was not covered under the policy. They therefore recommended the complaint not be upheld.

Mr D did not accept that view and asked for an ombudsman decision.

I issued a provisional decision in relation to this matter in June 2025. In that provisional decision I set out that I thought that Hastings Direct was wrong to decline the claim, and that I provisionally upheld Mr D's complaint.

My provisional decision has been shared with the parties, and they have been invited to comment. Mr D has not made any further comments. Hastings Direct has submitted arguments against my 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.

Hastings Direct argues that in my provisional decision I put undue weight on the opinion of Mr D's plumber, and it argues that this opinion was not properly scrutinised by Hastings Direct.

Hastings Direct also argues that it considers likely that the damage was pre-existing when Mr D began his policy with Hastings Direct, and that the loss was due to a prolonged failure to maintain the property.

I do not accept that I placed undue weight on the plumber's assessment. I placed equal weight on all of the evidence which had been provided. There was a difficulty here that, because Hastings Direct did not carry out an in-person visit to assess the damage, there was not substantial primary evidence to consider.

The plumber's report gave an opinion as to the cause of the escape of water, which was consistent with the account of Mr D. In the absence of clear evidence of another cause, I accept that an escape of water from the fixed water or drainage system had taken place. This was covered by the policy wording unless an exclusion was shown to apply.

Hastings Direct is concerned that it did not have the opportunity to scrutinise the report. This was due to Hastings Direct having declined the claim on the basis of the video call only. It does not appear that any further evidence was invited from Mr D.

Hastings Direct also now considers that the damage may have been pre-existing when Mr D took out his policy. I have no evidence of this, as Hastings Direct did not assess the extent of the damage at the time when the claim was made.

Hastings Direct declined the claim on the basis that the damage was gradually caused, and so was excluded. This decision to decline was then subjected to rigorous review by a manager, an outcome manager, a claims manager, the head of home claims, the head of the complaints team and then the CEO executives, and at no point in that process was it argued that the damage to Mr D's home pre-existed the policy. I am therefore surprised to see this argued now, when no evidence could be obtained to prove or disprove this.

I remain of the view set out in my provisional decision, that Hastings Direct's decision to decline this claim, in the way and for the reasons that it did, was wrong and I uphold Mr D's complaint. I adopt the rest of my provisional decision and reasons, as supplemented by the above, as my final decision.

Putting things right

In order to put matters right, Hastings Direct should assess and settle Mr D's claim for damage caused by the escape of water, in line with the remaining policy terms. For the avoidance of doubt, this should include either commissioning repairs to be carried out for Mr D, reimbursement of already completed repairs, or a cash settlement so that he can carry out appropriate repairs privately.

Hastings Direct should also pay to Mr D £500 compensation for his distress and inconvenience.

My final decision

For the reasons given above, and in my provisional decision, I uphold Mr D's complaint and direct Advantage Insurance Company Limited to:

- Settle Mr D's claim in line with the remaining policy terms; and
- Pay to Mr D £500 compensation for his distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 15 August 2025.

Laura Garvin-Smith
Ombudsman