

The complaint

Mr W and Ms H complained that Highway Insurance Company Limited (“Highway”) unfairly declined their claim for damage caused by an escape of water, under their home buildings insurance policy.

I’ll refer to Mr W for ease.

What happened

Mr W found a damp patch on his kitchen wall on 17 January 2025. He arranged for a plumber to inspect and was advised to instruct a leak detection specialist. The specialist identified a leak from a heating pipe buried in the kitchen floor. The pipe was excavated, and the leak was stopped on 21 January. Mr W said he contacted Highway the same day to make a claim.

Highway declined Mr W’s claim. He said this was based on timeline inconsistencies and speculation that the damage was longstanding or caused by failed shower seals. Mr W said the evidence proved the leaking pipe was the cause of the damage to the ground floor. He explained that he has daughters who suffer from health conditions. The damp and disruption in his home made dealing with these conditions worse. Highway maintained its decline decision, so Mr W complained.

In its final complaint response Highway told Mr W that he provided several inconsistent accounts relating to the discovery of the damage. It said this taints the reliability of his testimony. The business explained that its policy doesn’t cover longstanding leaks, gradually operating causes, pre-existing damage, or damage that has been allowed to get worse. It said it can’t be satisfied that failed shower sealant isn’t the primary cause of the damage. Highway explained that Mr W had arranged for repairs to be carried out, which prejudiced its position in establishing the main cause of the damage.

Mr W didn’t think Highway had treated him fairly. He said the inspection report Highway arranged showed the leaking pipe was the cause of the damage. He didn’t think it was fair to decline his claim for the reasons the business had given. So, he referred the matter to our service.

Our investigator didn’t uphold Mr W’s complaint. She agreed with Highway that Mr W had given inconsistent information about when the damage was identified. She also thought that because Mr W had carried out work before contacting Highway this had impaired its investigation into the cause of the damage.

Mr W didn’t accept what our investigator had said and asked for an ombudsman to consider his complaint.

It has been 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.

Having done so I'm not upholding Mr W's complaint. I'm sorry to disappoint him but I'll explain why I think my decision is fair.

It's for the policyholder to show that they have suffered an insured loss, fire, flood etc. If they can then, generally speaking, the insurer should pay the claim. This is unless it can reasonably rely on a policy exclusion not to.

Mr W said the cause of the damage to the ground floor of his property was a leaking pipe buried beneath the kitchen floor. Under his policy terms and conditions this event is covered under an 'escape of water' cause. So, cover is in place for damage caused by a leaking pipe. I've thought carefully about whether the leaking pipe has reasonably been shown to be the cause of the damage.

I've read the report provided by the leak detection specialist Mr W employed. The specialist said he carried out thermal imaging. A leak was detected emanating from a heating pipe. The floor was excavated in this area, and the leak was stopped. I've seen photos the specialist provided of the excavated pipe work, which shows water spraying from one of the pipes. A copy of the thermal images wasn't provided. I note Highway asked the specialist for this. But the records show this wasn't supplied.

I can understand Highway's concern that the leak specialist could not provide thermal images. Particularly as the report specified thermal imaging was used to locate the leak. The report is very limited. It contains a few lines of text confirming the use of thermal imaging and that the leak was found in a heating pipe. The photos show the pipe with the leak after the area had been excavated. The remaining photos show other rooms on the ground floor. There's no further commentary.

I've listened to the call when Mr W first reported the damage to Highway on 21 January 2025. The specialist was asked to describe the damage during this call as he was still at the property. He confirmed extensive damage to the ground level flooring. He said it was caused by a pin hole leak at a bend in the copper pipe.

Highway arranged an inspection of the damage on 31 January 2025. The technician performed a moisture survey of the property. Under the heading "*Kitchen*" the report said, "*The escape of water (EOW) occurred in the floor of this room and the affected pipes have currently been stop-ended*". High moisture readings were recorded in the kitchen, dining room, lounge, hallway, bedroom, and bathroom. In the bathroom the report said there was evidence of poor seals around the base of the shower. Under "*bedroom*" the report said the laminate flooring showed elevated moisture readings. It also said it was unclear whether this moisture originated from the shower or the current EOW. On the first page of the report "*burst/frozen pipe*" is written next to "*source of incident*". Next to "*pre-existing issues*" the report said, "*Possible shower leak at seals*".

So, Highway's moisture report showed high readings throughout the bathroom floor and in the wall tiles at low level. It referred to evidence of poor seals around the base of the shower as a potential cause of the moisture.

I've thought about Mr W's comments that he arranged for the pipe to be repaired to minimise further loss or damage. He said this is what his policy tells him he should do.

Under the heading “*Making a claim*” Highways policy terms say:

“If You have had to pay a tradesperson to make urgent repairs necessary to prevent further loss or damage, You should ask for and keep hold of any receipts they give You and take photos to document the damage prior to repairs being undertaken.”

And:

“For non-urgent repairs or replacements please follow the instructions We give You. We may ask You to get estimates or want to see the damage ourselves before agreeing to any work”

Mr W felt the leak needed to be stopped urgently, which is why he says he took the action he did. He also points to the terms and conditions set out under his home emergency cover. He said this tells him in case of an emergency he must minimise any further loss and damage.

Based on this information Mr W’s actions to identify and stop the source of the water appear reasonable. But I must also consider the policy terms, under the same section Mr W highlighted that say:

“As soon as reasonably possible after the injury, loss or damage, provide Us with details of the claim.”

And:

“If We ask, You must allow Us, an approved supplier or a loss adjuster access to inspect the damage to Your Buildings and Contents.”

The policy terms require Mr W to contact his insurer as soon as he’s aware of an issue. But he didn’t contact Highway until four days after he noticed the damp on his kitchen wall. At this point it wasn’t known what was causing this damage. It was only after the plumber had advised Mr W to involve a specialist, and the floor had been excavated and the leak stopped, that he contacted his insurer.

Highway said its position was prejudiced because Mr W didn’t contact it until after the specialist had excavated the kitchen floor and capped the pipe. It maintained that it doesn’t cover pre-existing issues, gradually operating causes, or issues that a policyholder has allowed to get worse due to inaction. Without having the opportunity to inspect the damage it explained that it cannot be sure that the leaking pipe was the ‘proximate’ cause of the damage.

Highway said that as it wasn’t given the opportunity to inspect the cause of the damage, Mr W’s inconsistent account of events becomes more relevant. It said this means it can’t be satisfied that cover is provided by its policy in the circumstances described.

I’ve thought carefully about the information Mr W provided. During his initial call he said he noticed the damp patch on the evening of 17 January 2025. In a later call with Highway’s claims investigator, he repeated this information confirming he noticed the damp patch after work at approximately 6pm. He said he then called a plumber followed by a call to the leak specialist as he was advised to do by the plumber. During the call with Highway, Mr W said he used his mobile, or possibly his wife’s phone, to ring the plumber and then the specialist. After further questioning Mr W changed this to say it was his mobile he’d used to make the calls. Highway asked him to provide call logs to show the calls he’d made.

During a later call to the same agent Mr W said he’d noticed the damp patch in the morning of 17 January 2025 around 7am to 7.30am – so this hadn’t been noticed in the evening as

he previously advised. Mr W said the plumber called him when prompted to by his mother-in-law. He said he'd asked her if she knew a plumber, which is how this happened. Mr W subsequently sent Highway a screenshot showing the phone calls he received from the plumber.

I can see that Highway asked Mr W to provide call logs that showed his mother-in-law had contacted the plumber. He then told Highway that the plumber was working at his mother in law's house. So, she was able to speak to the plumber in person, so again there was no record of a call.

Mr W sent an email to Highway dated 23 January 2025. In this he said he'd been caught off-guard by Highway's questions. He said he'd had to jog his memory to recall the details. He then corrected his account to say that it was the plumber who called the leak specialist on his behalf. I note Highway's comments that it's implausible Mr W would struggle to recollect whether he'd made these calls, or when he'd noticed the damage, given the short period that had elapsed. It said the lack of call records removed any evidence to support the timeline of when the damage was first identified.

I can see Mr W sent a photo of the kitchen wall where he first noticed the damage. This shows a section of crumbling plaster. The meta data confirms the photo was taken on 17 January 2025 at 6.31pm. Highway said this didn't show visible damp or water on the floor. It said this didn't align the photo taken four days later showing water "*gushing*" out of a pipe. The business questioned how the photo Mr W took showed no signs of water damage. It queried how this was possible given the extent of the leak that was reportedly found immediately beneath the damaged plaster. I note Highway's comments that it can't be sure that the damage Mr W is claiming for isn't historic and related to the defective shower seals.

I've carefully examined the photo Mr W took on 17 January 2025. It's difficult to tell from looking at this if the wall contains damp. I accept Highway's comments that there is no water visible on the floor or any visible water damage showing in the photo. However, the flooring is covered by ceramic tiles which lap up the wall next to where the leaking pipe was reportedly found. So, I'm not sure that a leak from the buried pipe would necessarily be visible. But I also note there were no pre-excavation photos of the floor taken by Mr W's contractor, which would have shown this in more detail.

Mr W clearly gave inaccurate information about when he first noticed the issue. Also, about how contact with the plumber and leak specialist took place. He has since provided evidence to show the calls he received from the plumber at 11.16am on the morning of 17 January 2025. And then later in the afternoon. He also supplied evidence of the calls he received from the specialist on 18 and then 20 January. I acknowledge Highway's comments that this does not tie in with his initial explanation of what he did when he reported his claim - or with the later call Mr W had with Highway's investigator.

The damage to the ground floor of Mr W's home is extensive. Highway's technician reported the damage was due to a leak from a radiator pipe. This resulted in the water migrating into most of the ground floor rooms. The technician referred to a possible leak due to the condition of the shower seals. But I acknowledge Mr W's comments that this wasn't confirmed as definite. Whereas the leaking pipe was confirmed as the cause of the problem.

I asked Highway to comment on Mr W's view that he acted according to his policy terms when he arranged for a leaking pipe to be fixed to prevent further damage. It responded on some other points I asked about, but not on this point.

I also asked Highway to comment on a moisture report Mr W had instructed in July 2025. In this report, completed by the original leak specialist, it said readings taken in the kitchen wall

and floor near the site of the pipe leak were significantly more saturated than surrounding areas. The report said this was consistent with a significant pressurised leak as opposed to, “*surface or sealant seepage*”.

In its response Highway emphasised that Mr W’s report was completed six months after the leak was reportedly found. It said the report completely ignored the damp it had identified in the bathroom and the deteriorated condition of the shower sealant. It highlighted this as a significant omission. Highway referred to the inconsistencies with Mr W’s account of events. It said it can’t rely on his alleged timeline or when he discovered the leaking pipe when considering this.

The business emphasised that Mr W arranged his own repairs without agreement. It said its inspection report was obtained closer to the time that Mr W reported the issue – and this report highlighted evidence of a pre-existing issue in the bathroom.

From what I’ve read Mr W didn’t arrange repairs. But he did have the floor excavated and the pipe capped off before informing Highway.

In its submissions Highway reiterated that the floor tiles in the bathroom had high moisture readings, as did the wall tiles at low level, indicating that water had escaped from the defective shower seals over a period of time. It said this is not a one-off event but rather a failure over time, which is excluded from cover under a gradually operating cause.

I said previously that it’s for Mr W to show that an insured loss had occurred. Having considered all of the evidence I don’t think Advantage acted unfairly when it concluded he hadn’t. I find Highway’s argument persuasive that it’s implausible Mr W could not recall when he noticed the damage, or how and when contact was made with the plumber and damp specialist. Similarly, the specialist he used located the leak using thermal imaging. I’d expect to see a detailed report that included these images to show the need for an excavation. The shower seals that are indicated to be in a poor condition are positioned close to where the crumbling plaster was noticed. But there is no record that the specialist considered this possibility prior to digging a hole in the kitchen floor. I think Highway has reasonably raised concerns given the inconsistencies highlighted.

I acknowledge Mr W’s desire to act quickly. But to ensure compliance with his policy terms I think a reasonable course of action would have been to contact Highway prior to arranging a specialist investigation and prior to excavating his kitchen floor. Had he done so Highway will have had the opportunity to validate his claim. As it was, I agree with the business that Mr W’s actions have prejudiced its position. This means it can’t know that Mr W’s loss resulted from an insured cause. So, I don’t think it acted unfairly when it declined his claim.

Mr W also highlighted concerns with Highway’s complaint handling. However, complaint handling, in itself, isn’t something regulated by the Financial Conduct Authority (FCA). This means I can’t consider these points in my decision.

Mr W said his premium increased substantially even though his claim was declined, which he believes is a punishment for trying to claim on his policy.

I can see that Highway provided our service with information about its underwriting criteria. This is considered commercially sensitive so I can’t share it with Mr W. But I’m satisfied from this, that Highway used its established underwriting criteria when it calculated his renewal premium. The business has explained that the key impact has been the claim that was made in January 2025. Highway is free to decide its own criteria when assessing risk and setting premiums. This isn’t something the FCA regulates on and so it’s not something I can comment on here. However, I’m satisfied that Mr W wasn’t treated differently to any other

customer. He isn't obliged to take or renew a policy with Highway so he can of course seek cover elsewhere if he chooses.

Mr W wasn't satisfied with the response he received from Highway to a Subject Access Request (SAR) he made. The general rule is that this should be provided within a calendar month. From what I can see this timeframe was met. Mr W is concerned that aspects of the information he received were redacted. But from what I've read this relates to information Highway considered commercially sensitive. This included what it pays its contractors for repair work. Mr W has referred his concerns to the Information Commissioner's Office (ICO). I'm not able to consider these issues in parallel. The ICO is also better placed to respond to Mr W's concerns about the information he received under his SAR. So, I won't comment further on this point here.

In summary, although I'm sorry that Mr W's property requires repairs, I don't think Highway treated him unfairly when it declined his claim for the reasons it gave. So, I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H and Mr W to accept or reject my decision before 16 January 2026.

Mike Waldron
Ombudsman