

The complaint

Mr W is complaining Wakam declined a claim he made on his buildings insurance policy.

Wakam has used a loss adjuster to handle the claim on its behalf. But, for ease of reference, I shall refer to any of the loss adjuster's actions as been carried out by Wakam.

What happened

In August 2024 Mr W contacted Wakam as he said he had a leak coming from one of his bathrooms which was causing water to come down the walls. And he said this occurred whenever they used the shower, but didn't know why.

Wakam arranged for an engineer to inspect the property. The engineer provided a report and photographs of the damage. Following this, Wakam said it considered the damage to have occurred gradually owing to wear and tear/poor maintenance. And it said the policy didn't cover damage in these circumstances. Mr W disputed Wakam's decision. He said the engineer had told him the bathroom was well maintained. He said the leak had arisen due to a cracked shower part, not because of a maintenance issue.

Wakam maintained its decision, although acknowledged it had caused some delays at the start of the claim. And it said it would pay him £50 in compensation for this. Mr W still didn't agree with Wakam's decision, so he referred his complaint to this Service.

Our Investigator didn't uphold this complaint as she was satisfied the leak had been occurring for a period of time. And she said Wakam was entitled to decline the claim on this basis.

Mr W maintained Wakam's decision was unfair and that the damage wasn't down to a failure to maintain the property. He said the damaged part was covered by a metal casing, so he couldn't reasonably know what was happening. As Mr W didn't agree with the Investigator, the complaint's 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.

I've decided to not uphold this complaint and I'll now explain why.

The terms of the insurance policy cover damage to the property arising from an escape of water. So it does cover damage arising from water escaping from shower pipes. But the policy also sets out that it doesn't cover "*damage caused by wear and tear or any other gradually operating cause.*"

Mr W has said there wasn't anything to show the bathroom was poorly maintained. But Wakam hasn't declined the claim due to poor maintenance, but because it considers the damage to have developed gradually over time. I can see that Wakam initially made reference to declining the claim due to poor maintenance, but its later correspondence made

it clearer that it considered the damage had been occurring over a period of time – i.e. it had been happening gradually. And it set out this was the reason it had declined the claim.

Wakam has highlighted that there was mould surrounding the cracked connector. It's also highlighted that the wallpaper had peeled off the walls in parts. It said this all supports that the leak had been occurring for a period of time, which had meant all the damage had occurred gradually. I'm persuaded that's fair.

Looking at the damage, I don't think it was unreasonable for Wakam to have said this didn't appear to have only just occurred. I think it's fairly set out that it does seem to have happened over time – i.e. it's fair for it to conclude it had happened gradually. I do not dispute the damage has arisen due to a failed part. But this doesn't mean the resultant damage hasn't occurred gradually.

I've considered Mr W's comment that he wasn't aware of the issue until he reported it to Wakam. Although I note it did take him two weeks to report it from when he told Wakam he first noticed it. But, given the condition of the wallpaper, I think it's most likely that the issue had been developing on the walls over time. And I think he would have reasonably known it was happening for a period of time before he reported it to Wakam. This would be considered to be a "*gradually operating cause*".

Mr W set out that he paid a large amount of money for his insurance policy to cover any loss he might incur. But, no insurance policy covers each and every event. And insurers are entitled to decide what risks they are and aren't willing to cover. That said, most, if not all, similar insurance policies contain a similar term whereby they don't cover losses arising from wear and tear or any other gradually operating cause. So I don't think it's unreasonable Wakam included such a term in this policy.

Taking everything into consideration, I don't think Wakam's decision on the claim was unreasonable. I do think Wakam took longer than it should have done to make this decision – it took around two months to do so. However, I don't think Mr W has lost out because of that and Wakam has paid him £50 in compensation for this. I don't think it needs to do more than that.

My final decision

For the reasons I've set out above, 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 W to accept or reject my decision before 16 December 2025.

Guy Mitchell
Ombudsman