

## **complaint**

Miss M complains St Andrew's Insurance Plc ("St Andrew's") have unfairly handled a claim under her buildings insurance policy.

## **background**

Miss M bought her property around 2010. She had a survey completed which said she had existing damp in the property. So in 2010 Miss M instructed Company A to remove it.

In April 2011 a pipe burst causing an escape of water and damage to Miss M's kitchen and property. She called a plumber to stop the leak and they provided a report stating it was fixed on 17 November 2011. Miss M initially attempted to limit the damage herself, but in November 2012 she contacted St Andrew's to make a claim under her buildings insurance policy.

St Andrew's accepted the claim and appointed Company B to attend the property and put the damage right. This included drying out the walls for several months, putting in a new ceiling in the kitchen, amongst other works.

In July 2013 plaster was removed by Company B to dry out brick work, and in August 2013 it provided a drying certificate. Repair works (painting and cleaning) were ongoing, and over time stains reappeared through the ceiling and outside wall. Black mould also built up on an internal wall. This was treated and the kitchen was repainted several times.

Following a number of ongoing issues, St Andrew's appointed Company C in November 2016 to take over work on the property. In December 2016 Company C instructed a damp specialist (Company D), to complete a salt test on the walls of the property to test for moisture. St Andrew's said this test proved there was existing damp in the property causing the ongoing issues.

Miss M complained to St Andrew's, and it gave her its final response in February 2018. While Miss M felt repair works began too early before the property was aired out, St Andrew's said a drying certificate was produced in August 2013. And it said the subsequent salt test in 2016 showed existing damp problems within the property.

It said damp is not covered under the policy so it declined to cover this as part of the claim. But it said it would consider contributing towards the cost of rectifying the damp issue as a gesture of goodwill. And it offered Miss M £150 compensation.

Miss M brought her complaint to our service. She felt Company B had been negligent when looking at what had gone wrong, failing to examine all areas of the kitchen or carry out readings immediately, and painting the walls a number of times without letting them breathe, amongst other issues. She felt this had caused the damp, and she provided us with a number of photographs to show the damage to her kitchen and elsewhere.

Miss M also said that having spoken to representatives from Company D, and another damp specialist, Company E, instructed by St Andrew's, she'd been told the initial work carried out by Company B was handled badly and damp tests should've been carried out earlier than they were.

St Andrew's responded to say Company C and D had both confirmed no moisture remaining in the property was as result of the original leaking pipe.

In September 2017 Miss M asked for an independent specialist Company F to examine her property. She provided this report which she said showed the escape of water could've caused the damp as a result of the walls never being fully dried.

Our investigator looked at Miss M's complaint and didn't uphold it. She said that under Miss M's policy there needed to be an insured event that Miss M would be covered for. And based on the evidence she'd seen, she said she couldn't see that the damp in the kitchen was caused as a result of the escape of water or anything else under the policy.

So she felt St Andrew's didn't need to cover the cost of treating the damp without more evidence that the damp and the leak were directly related. She said the salt tests provided by Company D alongside the previous damp that Miss M had treated in 2010 suggested rising damp was present in the property.

Our investigator looked at the independent report completed by Company F. She found that while it confirmed high readings on external walls of the property, it didn't confirm damp had been caused as a result of the original leak. In addition it showed there were high readings outside her lounge underneath the window. So she felt this showed there were damp problems in areas of the property not near to where the leak occurred – suggesting it wasn't linked.

Our investigator also found that the photos provided by Miss M showed mould spores were found going up the internal wall, and damp outside the property appeared to start from the ground up. This evidence combined further suggested that the damp was rising, and not related to water retention seeping down the wall.

So our investigator found overall the offer St Andrew's made to cover 50% of the cost of the work was fair and reasonable as there wasn't enough evidence to say the damp was related to the leak. And she found £150 for trouble and upset was fair in the circumstances.

Miss M disagreed and provided us with more photos of mould on her wall. She felt this showed the mould was closer to the ceiling than the ground.

Miss M also said that the initial water leak had caused a lot of water to escape into skirting boards and gaps in between the floor and the wall. And the work completed by Company B never fully addressed this problem as they didn't test behind white goods or across all walls.

So Miss M felt that Company B was not in a position to provide a drying certificate.

Miss M also explained the damp beneath her lounge window as a result of leaving a window open during a period of heavy rain.

Our investigator looked again. She said the drying certificate provided by Company B stated the property was dried to an acceptable level and returned the property to pre-loss condition. The drying works only applied to the water damage that related to the insured event (the initial burst pipe). And that it specified it wouldn't provide liability for existing conditions or defects in the property.

She also said without further evidence, she didn't feel there was enough to say it's most likely the ongoing damp problem had related to the 2011 leak. This was because there were no signs of physical evidence showing traces of water retention from the ceiling to the floor of the kitchen.

Our investigator said Company B was called to visit the property to look at a leak from the room above. And she felt it was reasonable for their representative to work on the ceilings and walls after they were confirmed dry – as there was no evidence of damp at the time that they'd be aware of elsewhere (under floor tiles, behind white goods etc.). And while Companies C and D may have commented to say cabinets and other fixtures should've been removed during investigation, this was in hindsight and with an awareness of the ongoing damp.

The investigator found there was no damp towards or on the ceiling suggesting the moisture isn't related to the 2011 water damage, and was instead rising damp. And as rising damp isn't covered under the policy, it wouldn't be the responsibility of St Andrew's to seek to uncover this as they were only sent to deal with the insured event (the damage from the leaking pipe) – which they had done.

In addition she found both Companies C and D have said they don't believe the moisture is as a result from the insured event. Overall she considered that St Andrew's was now paying around £650 towards the damp proof work which it didn't have to under the policy, and alongside the £150 in compensation she felt this was reasonable.

Miss M disagreed so the complaint has been passed to me. She since provided further evidence from Company E on their thoughts on ongoing wet walls and air bubbles in plaster. This said the surveyor believed the wall would build condensation and surface moisture. Miss M disagreed with these comments.

### **my findings**

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 this complaint. I appreciate this will be a disappointment to Miss M, but I've explained my reasons below.

Miss M took out buildings insurance with St Andrew's. For her to claim under the policy there needs to be an insured event as described in the policy (such as fire, flood, storm). St Andrew's accepted Miss M's claim for escape of water as this was covered under the policy.

But damp and rising damp aren't specified as an insured event. And under the general exclusions section, it specifies a list of "*uninsurable risks*". This says that the policy won't cover "*any damage or loss caused by:*

- *...decay; or*
- *demise, or*
- *depreciation; or*
- *wet rot or dry rot, unless this was caused directly by any insured event under this policy; or*
- *fungus..., or*
- *anything which occurs gradually, or deteriorates over a period of time or has reached the end of its useful life...*"

Having read these terms carefully, I think it's possible several of these terms could be used to describe the damp Miss M has experienced in her property. Specifically, by its nature, damp occurs gradually and will cause deterioration over time. So I'm satisfied damp isn't covered under this policy.

It's accepted by all parties the ongoing issues at Miss M's property are due to damp. But it's the cause of the damp that is in question.

Miss M feels that Company B's actions and negligence have caused this ongoing situation to be drawn out over a number of years. And had the contractors completed full readings and damp tests initially alongside letting the walls dry properly, this issue would likely be resolved. Miss M has also said she believes the damp in the walls has been caused by the initial 2011 incident.

St Andrew's has sought a number of expert opinions that our investigator has mentioned, which suggest the cause of the ongoing damp is *not* related to the moisture left from the 2011 escape of water. I find these reports persuasive in their descriptions and expert views about the damp problem in Miss M's property.

Based on what I have seen, looking at all of the reports, evidence and photographs provided, I'm satisfied it's more likely than not Miss M's property suffers from rising damp that's unrelated to the 2011 leak.

In August 2013 a drying certificate was provided by Company B which said the property had been dried to an acceptable level and returned to pre-loss condition. I think this is persuasive evidence that suggests the moisture from the 2011 leak had been resolved. However I don't think this means all areas of the property were necessarily damp free, only the areas affected by the 2011 leak.

The photo evidence does not suggest a link for the reasons given previously. It appears mould spores go up the internal wall suggesting rising damp and not from water retained from the initial 2011 leak that seeped through a ceiling. Furthermore the salt tests completed in December 2016 suggest the property has chlorides and nitrates present suggesting a pre-existing damp issue.

The independent review of the property carried out by Company F shows damp to be present within the lounge in addition to the kitchen. I've taken into account Miss M's comments that the lounge was "damp" due to rain, and that the specialist told her specifically the 2011 water escape caused all of the damp problems. However this isn't reflected anywhere within the letter and report they've produced. So this doesn't persuade me that the damp is linked or that I can disregard the damp found elsewhere in the property.

I also can't ignore that when Miss M purchased the property in 2010 she was aware there was damp in the property. While she did have this treated at the time, I don't think this would rule out existing damp as an alternative possible cause to the ongoing problems she's experienced.

Overall I'm not satisfied the damp Miss M has suffered is related to the 2011 leak. Damp isn't an insured event under the policy, and it appears to have occurred gradually and caused deterioration over time. For these reasons there's not an insured event for St Andrew's to cover. So, having carefully considered its obligations under the policy terms for the 2011 claim, I'm satisfied St Andrew's did what it needed to.

Based on what Miss M and some of the experts have said since the initial work, I accept if wider testing had been completed earlier, it's possible the damp would've been uncovered sooner and possibly not treated in the same way. So I think Company B could've done more when it first carried out its works. But I don't think this means that Company B, or St Andrew's by extension, was therefore negligent in the work it carried out.

I say this because St Andrew's appointed Company B to look into damage related to the leaking pipe. And I don't think it was unreasonable to focus their attention on the area where the damage was caused.

While I understand this situation has caused Miss M a lot of stress, I don't think this can be attributed solely to the contractors of St Andrew's for the reasons I've given. And even if I were to accept their actions have contributed towards the situation, I think the offer made by St Andrew's to pay 50% of the cost towards the damp proofing and £150 is a fair and reasonable outcome in the circumstances.

I've noted that Company A provided Miss M with a 30 year guarantee in relation to the work it carried out in 2010. She may wish to contact them in relation to the ongoing damp issues if there is a crossover of areas affected.

#### **my final decision**

For the reasons I've given above, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 2 September 2018.

Jack Baldry  
**ombudsman**