

## **The complaint**

Mr M and Ms G complain about the decline of their home insurance claim by Admiral Insurance (Gibraltar) Limited.

Whilst this complaint relates primarily to the claim decline decision by Admiral, Mr M and Ms G are also unhappy about the actions of Admiral's agents. As Admiral have accepted responsibility for the actions of their appointed agents, any reference in this decision to Admiral should be interpreted as also covering the actions of their appointed agents.

Mr M has primarily been dealing with the claim and complaint. In my decision I'll refer mainly to Mr M.

## **What happened**

The background to this complaint is well known to Mr M and Admiral. Rather than repeat what is already known to both parties, in my decision I'll focus mainly on giving the reasons for reaching the outcome that I have.

In May 2024 Mr M and Ms G registered a claim against their home insurance policy for water damage to a bathroom. Admiral declined the claim as they said their survey indicated the damage being claimed for had been ongoing for some time (due to the failure of shower sealant and grout) and that wouldn't be something covered under the policy.

Mr M disputed this and provided two reports which, in summary, concluded that the damage was caused over time by a slow leaking, concealed pipe.

Mr M made a complaint regarding the claim decline and the service provided. Admiral partially upheld the complaint and offered £50 for the service provided when initially responding to the claim. As Mr M and Ms G didn't accept Admiral's response, they referred it to our Service for an independent review.

Our Investigator considered the complaint, but didn't recommend that it be upheld. As the complaint remained unresolved, it's now been referred 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.

Our Service is an alternative, informal dispute resolution service. Although I may not address every point raised as part of this complaint - I have considered them. This isn't intended as a discourtesy to either party – it simply reflects the informal nature of our Service.

It's not the role of our Service to determine the proximate cause of the damage being claimed for. Our role is to decide whether, on balance, Admiral fairly investigated the claim before declining it in line with the policy terms.

The policy schedule shows this policy was in Ms G's name, but it also covered *'Insured &*

*Partner/Spouse/Family’.*

*Have Admiral fairly and reasonably considered the claim in line with the policy terms?*

I find on balance that Admiral’s claim decline is fair and reasonable. Having reviewed all opinions on the likely cause of the damage, I’m more persuaded that the position taken by Admiral is fair and I’m less persuaded by the position Mr M has taken. I say this because:

- A lot of stripping out work had already taken place prior to Admiral having an opportunity to survey the damage. This appears to have been a proactive action taken by Mr M, in the interests of being helpful, But I’ve seen no evidence that he was told to do this by Admiral. I acknowledge the stripped out materials appear to have been retained on site, but this meant Admiral could only consider the damage as it was presented after the strip out, alongside photos provided.
- The damage does appear to be ‘radial’; around the shower tray, as argued by Admiral. This is supportive of the failure of sealant and/or grout.
- When I’ve considered the alternative explanation (slow leaking, concealed pipe) put forward by Mr M, on balance, I find that the pattern of damage doesn’t undermine the position taken by Admiral. The photos provided don’t support damage (mould, damp etc) that might be expected to be seen primarily around the area where Mr M says the leaking pipe was.

The policy terms exclude claim arising out of gradual damage that has occurred over time and “*Loss or damage cause by faulty, failed or inadequate grout or sealant*”.

Mr M told our Investigator after their assessment:

*“The leak was discovered **approximately one year before**, [bold added for emphasis by Ombudsman] I was having a socket fitted and had to remove a panel concealing pipes and cables this is when the leaking pipe was discovered and subsequently fixed.*

*There didn’t appear to be any obvious damage at the time. My own thoughts are the water was trapped between the existing floor and subfloor resulting in delaminating and popping the tiles.”*

Even if I set to one side the above point, both Admiral and Mr M’s experts appear to be in agreement that the damage occurred over time This is something excluded under the policy terms - regardless of the cause of the damage.

I’ve considered if any other part of the policy ought to have responded to this claim event, but Mr M and Ms G didn’t have ‘buildings accidental damage’ coverage.

In summary I find Admiral have fairly and reasonably considered this claim in line with the policy terms and have fairly declined it.

*The service provided by Admiral*

Admiral offered £50 compensation in recognition of communication failings in the service they provided. I find this to be fair, reasonable and proportionate – relative to the impact on Mr M and Ms G.

My decision will disappoint Mr M and Ms G but it brings to an end our Service’s involvement

in trying to informally resolve their dispute with Admiral.

**My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Ms G to accept or reject my decision before 13 January 2025.

Daniel O'Shea  
**Ombudsman**