

## **complaint**

Mr and Mrs M complain that Royal & Sun Alliance Insurance Plc (RSA) has unfairly declined their claim for damage to the home under their building insurance policy.

## **background**

Mr and Mrs M had a collapsed ceiling in a cupboard which they thought was due to a leak from the bathroom above. RSA's surveyor said it was due to dry rot and woodworm in the beams and their claim was declined as this was excluded under the policy.

In its final response to Mr and Mrs M, four months after their complaint, RSA said the report and photos from its surveyor showed no evidence of a leak from the bath and damaged areas were dry. It said it would've expected the area under the bath to show signs of moisture, if this was the cause, but there was none. RSA said Mr and Mrs M should provide some evidence of a leak such as from a plumber and it would reconsider their claim.

Mr and Mrs M said there was a leak from their bathroom and this was hidden until their ceiling collapsed. RSA said the ceiling collapsed after Mr and Mrs M said they'd repaired the leak and they hadn't identified a leak between the damage and its surveyor's visit.

The investigator said the surveyor hadn't found evidence of damp but found woodworm and long-term dry rot, probably due to a previous leak. He said it was reasonable for RSA to decline the claim. He said that RSA had delayed its handling of Mr and Mrs M's claim and complaint and should pay them £50 compensation.

Mr and Mrs M said they now realised their previous insurer hadn't taken proper action after a previous leak and this led to rot and woodworm in the joists. They later said the ceiling collapsed because it was sodden with water, but provided a surveyor's report which said the previous escape of water had caused wet rot. Mr and Mrs M said £50 compensation for RSA's delays was insulting and requested an ombudsman review their complaint.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've looked carefully at RSA's decision about Mr and Mrs M's claim and the evidence from both sides. When there is a dispute as to what has happened we give weight to professional opinions as to the likely cause. In order to be covered by the policy the damage needs to be due to a one-off insured peril set out within Mr and Mrs M's policy.

Mr and Mrs M said a recent escape of water caused their ceiling to collapse. However the professional evidence from RSA's and Mr and Mrs M's surveyors give the cause of the damage as related to rot, probably due to an escape of water a long time ago, but not recently.

Mr and Mrs M's policy excludes claims from woodworm and rot, as is common to most building insurance policies, and so it was reasonable for RSA to decide that the damage hadn't been caused by an insured peril. Mr and Mrs M said their previous insurer didn't dry the area after their previous claim and so I think they understand how the problem arose and that RSA isn't responsible for the damage.

RSA's surveyor told Mr and Mrs M there was no water damage, but the final decision on the claim was RSA's and it took four months to write and confirm the decline to Mr and Mrs M. I think this was too long to keep their customers waiting and it should pay them £150 compensation for the delay.

**my final decision**

For the reasons I have given it is my final decision that the complaint is upheld in part and I require Royal & Sun Alliance Insurance Plc to pay Mr and Mrs M £150 compensation for the delay and inconvenience it has caused them.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs M to accept or reject my decision before 20 October 2017.

Andrew Fraser  
**ombudsman**