

The complaint

Mrs J complains that Accelerant Insurance Europe SA/NV have declined her claim for damage caused to her static caravan due to an escape of water.

What happened

Mrs J held a holiday home insurance policy for her static caravan with Accelerant.

On 6 February 2022 Mrs J visited the caravan and found that water was leaking out of the boiler and had damaged the flooring in the bathroom and bedroom. She called the on-site manager who turned off the stop cock and stopped the leak.

The next day Mrs J made a claim under her policy, but says she received no response and so she asked a contractor to give her a quote for the repairs. The quote was £5214 to include a new boiler, bathroom flooring and carpets.

Accelerant sent out an assessor to look at the damage on 8 March and their report was completed on 19 March and sent back to Accelerant on 25 March.

On 24 April Accelerant declined the claim under a policy exclusion as they said caravan had been vacant for over 72 hours and the boiler hadn't been drained down in accordance with the terms and conditions of the policy.

Mrs J was unhappy with this, so she brought her complaint to us. She said that the caravan hadn't been unoccupied, as there had been guests in the caravan, and that she had never seen any exclusions in the policy. She further said that due to the delays caused by Accelerant in dealing with the claim, further damage was caused to the caravan as a result of damp, including mould damage to curtains, the bed and walls. She also says that she was paying site fees for six months when the caravan was unusable, and she suffers from a breathing condition which is affected by mould spores.

One of our investigators has looked into Mrs J's complaint and she thought that Accelerant had acted in line with the terms of the policy and fairly declined the claim.

Mrs J disagreed with our investigator's view, and so the case has come to me to review.

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.

In this case I have to consider whether Accelerant have decided the claim in line with the terms and conditions of the policy and come to a fair and reasonable decision.

I haven't upheld Mrs J's complaint, and I will explain why.

In their final response Accelerant say that the claim was initially declined because the holiday home had been unoccupied for 6 days and Mrs J had failed to follow the drain down precautions which are a requirement of the policy.

They have then gone on to say that even if there was occupancy during that period, the claim would still be declined as the failure of the boiler was due to wear and tear, which is excluded under the policy as it doesn't cover any damage which occurred as a result of corrosion due to wear and tear, poor maintenance or damage over a period of time.

I've looked at the policy terms that have been applied. The exclusion says that in relation to an escape of water there is no cover for:

Loss or damage occurring between 1st October and 14th March when your Structure is unoccupied unless you have taken the precautions defined below:

If your Park is Closed

- (a) Turning off the water at the mains stopcock and fully draining down all equipment to the manufacturer's specifications*
- (b) Leaving a proprietary sealed heating system that contains anti-freeze and has been maintained to the manufacturer's specification in operation*
- (c) Using a Park approved service to drain down your Structure*

If your Park is Open

- (d) You must ensure that the water has been turned off at the mains stopcock, all taps are left open, sinks and plug holes are left unobstructed, or the full central heating system has been set to operate daily and overnight to avoid frost*

So, the first question is whether the caravan was unoccupied. Unoccupied is defined in the policy as *"When the Structures is/are left unattended by You, or a responsible member of Your Family or a responsible adult for a period in excess of 72 hours."* Mrs J told Accelerate that she was there on 31 January and discovered the leak on 6 February when she returned. However, she later qualified this, saying that there were family and friends visiting the caravan all over the winter period as it was warmer there, and so it wasn't unoccupied.

Apart from Mrs J's testimony above, I haven't seen any specific evidence which shows that the caravan was occupied in the 72 hours before the leak was discovered. The report provided by the assessors describes the leak as a drip leak and records the resulting damage has spread from the hallway into the bedroom, damaging a substantial portion of the bedroom carpet and the bed base. I'm satisfied without evidence to the contrary, that Accelerant's conclusion that the caravan was unoccupied for at least 72 hours before the leak was discovered is reasonable on that basis, and so the relevant precautions outlined in the policy should have been taken.

However, I think that Accelerant have then applied the wrong precautions in the exclusion, as the evidence indicates that the park is open, and draining down the system is only required if the park is closed.

So, under the terms of the policy exclusion it would have been the responsibility of Mrs J to turn off the mains stopcock and leave taps on and plugholes unobstructed during periods of absence, or to leave the boiler on daily and overnight.

I can see from the evidence provided by Mrs J that when she attended the caravan on 6 February she had to ask the site engineer to turn off the stopcock, and so I think it's fair to say that she hadn't complied with the precautions in the policy in that respect. I can also see

that she said the caravan was cold and so she went to turn the heating on, which also means that she hadn't complied with alternative policy term. And so, whilst the wrong reasoning for the exclusion was applied, I'm satisfied that Accelerant fairly applied the exclusion in any event.

I note that Mrs J has raised issues about the temperature not dropping below freezing, and there being no extreme weather. However, the temperature isn't a factor in determining whether the precautions in the policy should be undertaken, and so this doesn't affect my finding in that regard.

Accelerant have also said that even if the caravan hadn't been unoccupied the claim would still have been declined as the boiler leak was due to wear and tear. There isn't a specific report on the state of the boiler, but the surveyor's report indicates that the contractor attributed the damage to freezing conditions. I haven't seen any evidence of this, but neither have I seen any evidence of servicing receipts or repairs which may show a well-maintained system. In any event, I am satisfied that the claim was fairly declined on other grounds.

The second part of Mrs J's complaint is about the length of time it took the claim to be determined and the deterioration of the soft furnishings in the caravan.

I can see that the claim was made to Accelerant on 7 February. They raised queries with Mrs J on 8 February which were responded to on 24 February. The site visit was then arranged on 4 March, took place on 8 March, and the report was received by Accelerant on 25 March. Further queries were raised with Mrs J on 22 March and 25 March by e mail and responded to on 3 April. At that point the insurers discussed matters further and the claim decline was issued on 29 April. Although this has taken just over 11 weeks, around 4 weeks of these delays were in Mrs J responding to queries and I don't consider that 7 weeks is an unnecessarily long time to decide a claim, and so I won't be upholding this aspect of Mrs J's complaint.

I appreciate that this whole incident has been distressing for Mrs J and understand that the cost of replacing the damaged items will be unexpected. However, on the basis of the above, I can't say that Accelerant have acted unfairly in declining the claim.

My final decision

My decision is that I'm not uphold Mrs J's complaint against Accelerant Insurance Europe SA/NV.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 2 February 2023.

Joanne Ward
Ombudsman