

The complaint

Mr K complains Astrenska Insurance Limited (Astrenska) unfairly declined his claim on his landlord home emergency insurance policy.

There are several parties and representatives of Astrenska involved throughout the complaint but for the purposes of this complaint I'm only going to refer to Astrenska.

What happened

Mr K made a claim on his landlord's home emergency insurance policy after the boiler at the address covered by the policy broke down towards the end of March 2022.

Astrenska's approved engineer attended and said there was a blockage in the boiler, and advised Mr K to get a boiler power flush completed. This procedure was not covered by his policy. He was told he needed to do this so the approved engineer could return fit the parts that were needed.

Mr K organised for the power flush to be completed and evidence was received by Astrenska on 8 April 2022 to show this had been completed.

Astrenska said when organising the parts and repairs after it had been notified the power flush had been completed, it came to light the property was being used as a waiting room and for storage for the business premises next door. Astrenska declined Mr K's claim as this was a breach of the terms of the policy and meant the property was not eligible for the home emergency cover and his claim was not valid.

Mr K disagreed and said the property was only used as a private rental. He had the boiler repairs completed by his own engineers at his own cost. He said the cost was £300.

As Mr K was not happy with Astrenska, he brought the complaint to our service.

Our investigator upheld the complaint. They looked into the case and said insufficient evidence had been provided to demonstrate the property was being used as a commercial property rather than a dwelling. They couldn't conclude the terms of the policy hadn't been met or that the claim couldn't be covered. They said Astrenska should cover the £300 Mr K paid for the repairs plus 8% simple interest on production of a receipt/invoice.

As Astrenska is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

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 saw Astrenska said its approved engineer had to go to a business property which was next door to the address covered by the policy to obtain access. Mr K said he was working at the

business next door. He said the tenant was at work, but occupancy could be checked in the evening.

I saw when Astrenska spoke to its approved engineer to organise for them to return to fit the required parts to the boiler after the power flush had been, the approved engineer was unable to attend for more than two weeks. I saw evidence that Astrenska tried to organise for one of its other approved engineers to attend without success. It was during a further call with the original approved engineer that Astrenska said it was told about the property being used as a waiting room and for storage for the business next door.

I looked at the terms and conditions of the policy. On page four it defines the property as *“Buildings owned by you, and land immediately surrounding them which are used or rented solely for domestic residential purposes, and which are declared on the policy schedule.”*

This means as per the terms of the policy if the property was used for storage and as a waiting room for the business at the address next door as alleged by Astrenska then it would not be covered under the terms and conditions of the policy.

The issue in this case is whether the property in which the boiler is located was used for reasons other than domestic. I looked at the evidence provided about the address in question.

Mr K provided evidence of a tenancy agreement and also two utility bills. The utility bills were in the same name of the person on the tenancy agreement. The utility bills were dated prior to the incident with the boiler. Mr K does work at the business property next door to the property in this complaint and this is a commercial premises, but he said the property in the claim was not used for storage or as a waiting room.

Astrenska said it had relied on the testament from its approved engineer that there were signs a room in the property was being used as a waiting room and the room where the boiler was kept was being used for storage. It said the approved contractor who reported this had no reason to provide a false account of what they witnessed.

Astrenska also submitted images it said showed the property was a commercial property. However these images were found to be of a commercial property at a different address on the same road.

I saw that both Astrenska and Mr K were asked to provide supporting evidence that showed the inside of the property at the date of the claim. Neither Mr K nor Astrenska have been able to supply images.

I have not seen enough evidence to prove beyond reasonable doubt that the property was being used for reasons other than domestic.

As Astrenska initially accepted it would cover the repairs required after the power flush, I think the repairs paid for by Mr K should still be covered by Astrenska.

I therefore uphold Mr K's complaint and on receipt of a valid invoice require Astrenska to cover the £300 cost of the repair paid for by Mr K.

My final decision

For the reasons I have given I uphold this complaint.

I require Astrenska Insurance Limited, on receipt of a valid invoice, to pay Mr K the cost of the repairs plus 8% simple interest from the date the invoice was paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 24 July 2023.

Sally-Ann Harding
Ombudsman