

The complaint

Mr S complains that Ageas Insurance Limited (Ageas) declined his claim for water damage based on a false report and his race.

What happened

Mr S had buildings and contents insurance underwritten by Ageas.

In December 2022, Mr S had a leak in his bathroom. His plumber repaired the leak. Mr S said he didn't make a claim under his insurance at the time because the cost of the repair was the same as his policy excess.

In July 2023, Mr S noticed water damage in his kitchen. He called his plumber who reported that it was caused by the leak seven months earlier. Mr S claimed under his policy for the extensive water damage.

Ageas contracted surveyors to inspect the damage and report on their findings. The report concluded that the damage was mainly due to wear and tear and there was no evidence that it was caused by the previous leak. Based on these findings, Ageas declined Mr S's claim under the policy exclusion for wear and tear.

Mr S complained to Ageas. He didn't agree with the findings, and he said the plumber's receipt, which he'd provided evidence of, proved there'd been a leak. Further to this, Mr S said the surveyors had been unprofessional, dismissive, and had submitted a false report in which they pre-determined the outcome of his claim immediately upon noting his race when he opened the door to them.

Ageas looked into Mr S's complaint. It responded to say that the report and photos, provided by both Mr S and the surveyors, supported the conclusion that the damage had happened gradually and was due to wear and tear. In respect of Mr S's allegation of discrimination, Ageas asked its surveyors for their comment. Both surveyors reported that they'd found the visit to be friendly, and chatty after asking Mr S about his work. They also said the photos and report demonstrated they'd not dismissed his concerns or pre-determined the outcome of Mr S's claim. Therefore, Ageas didn't uphold Mr S's complaint.

Mr S remained unhappy with Ageas' decision to decline his claim and its response to his complaint about the surveyors. He brought his complaint to this service.

Our investigator didn't uphold Mr S's complaint. She said Ageas had declined the claim fairly under the wear and tear exclusion in line with the evidence available. Our investigator also thought that, on the balance of evidence available, Ageas hadn't pre-determined the claim or treated Mr S differently because of his race.

Mr S didn't agree. He said our investigator wasn't qualified to determine the cause of the damage, and he said her view was based solely on the surveyors' report. He provided a letter written by his plumber confirming that the water damage was the result of the leak he'd repaired in December 2022.

Mr S asked for an ombudsman to decide, so the complaint was passed to me.

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.

Having done so, I've decided not to uphold Mr S's complaint. I understand this will be disappointing to Mr S, but I'll explain my reasons now, referring to specific evidence only where I think it will help explain my decision.

Claim

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably.

My remit is to look at whether Ageas, more likely than not, handled Mr S's claim promptly and fairly. And whether it reasonably declined his claim for the reasons it gave, in line with the policy. To be clear, it's not for me to assess the claim or identify the cause of damage.

The original leak in Mr S's home was in December 2022. However, he didn't claim under his policy until July 2023, which is when he said he noticed evidence of water damage. Ageas appointed surveyors, reviewed his claim, and issued its decision within three weeks. While the outcome was not what Mr S had hoped for, I'm satisfied that the timeline evidence shows Ageas handled his claim promptly.

Ageas declined Mr S's claim under the policy exclusion for wear and tear because its surveyors reported that the damage was caused by water escaping over a long period, likely through inadequate sealant and grout in the bathroom and kitchen.

I've looked at the photos Mr S sent to us, along with the accompanying surveyors' report. The photos show damage including, but not limited to, the following:

- Damaged and missing grout.
- Missing sealant in the kitchen.
- The short strip of sealant behind the kitchen sink didn't appear to be attached properly and was covered with black mould on the underside.
- The cupboard underneath the sink had black mould and significant deterioration of the wood.
- A complete row of tiles was missing from immediately above the kitchen window.
- The bathroom had damaged or missing grout and newly patch-repaired sealant, although the damage seen here was not as significant as that in the kitchen.
- Water damaged ceiling.
- Peeling paint.
- Swollen kitchen units.
- Missing kickboards.

I can rely on this evidence because the photos Mr S provided reflect the same damage as that shown in the surveyors' photos and described in their report. So, based on the extent of damage shown in this evidence, and in the absence of any contradictory reports, I'm satisfied that Ageas fairly and reasonably relied on the surveyors' conclusion that the water damage was due to gradual wear and tear rather than a sudden one-off incident.

Turning to the policy booklet, Section 1. 5(a) sets out what is and isn't covered under the escape of water peril. The policy specifically excludes damage caused:

by the inadequacy or absence of appropriate sealant or grout.

In the section headed General Exclusions, the policy states:

These exclusions apply in addition to the exclusions shown under "What we don't cover you for" in each section of this policy.

One of the exclusions listed is:

Loss or damage caused by wear and tear, wet or dry rot or anything which happens gradually.

As I've said Ageas fairly relied on the surveyors' conclusion that the damage was caused by wear and tear, I'm satisfied that the policy excludes cover in the circumstances.

I've thought about whether Ageas declined Mr S's claim reasonably in the overall circumstances. Mr S says he didn't notice any evidence of water damage until he contacted his plumber again in July 2023. However, as I've explained above, the photos suggest the water damage happened over a long period of time. And given the significant deterioration of wood, the missing kickboards and tiles, it's more likely than not that the damage would've been visible for some time before Mr S made his claim.

Based on the evidence, then, I find that Ageas declined Mr S's claim fairly and reasonably, for the reasons it gave, in line with the terms and conditions of the policy.

As a final note under this element of the complaint, I've looked at Mr S's recent submission. He provided a copy of a letter from his plumber who stated that the water damage was caused by the original leak in December 2022.

I have no reason to doubt that there may have been water damage from the original leak. However, the plumber doesn't explain why he believes all of the damage was caused by the leak which happened seven months earlier, or why it took so long for the damage to become evident suddenly and to the extent seen. For example, the plumber hasn't explained how a leak from the pipe to a bathroom tap caused damage inside the cupboard under the kitchen sink, or how it caused a single row of kitchen tiles to fall away.

The plumber confirmed he'd repaired the leak, so it's likely that any water damage from that time would've been drying out over the following months rather than getting worse. Therefore, I consider it more likely than not that the extensive water damage Mr S claimed for was caused by something more and over a much longer period as stated in the surveyors' report.

Discrimination

Mr S complained to Ageas that it sent, *“a miserable and a racist surveyor [who] do not listen... properly... and submitted a false report to the insurance company. [The surveyor] ignored all the facts and evidence”*.

This is a serious allegation so, to begin with, I'll explain what is and what isn't within my remit. Only a court can decide whether Ageas' agents acted unlawfully and breached the Equality Act 2010. However, I can consider whether Ageas treated Mr S, more likely than not, in a fair and reasonable manner taking into account the law, amongst other things.

Mr S said the surveyors ignored the facts and evidence. He commented specifically on them failing to look at the ceiling. I've seen the surveyors' photos and note that, amongst others, they include the ceiling damage and one of the plumber's receipts. And, as I've already explained, I'm satisfied that the report the surveyors provided reflects the evidence seen in both their photos and those Mr S provided.

This evidence tells me the surveyors must've looked at the ceiling damage as well as other damage, and they accepted the evidence Mr S provided. Therefore, I don't find that Ageas relied on a false report or ignored the facts and evidence.

Mr S said that when the surveyors arrived to assess the damage, *“As soon as he entered my house when he saw [Mr S] his face changed and he started suspecting all the facts even the repair invoice.”*

Because of what he perceived as a racist attitude, Mr S said the surveyors made up their minds about his claim, even before seeing the damage, because of his race.

I've considered this complaint carefully.

The surveyors issued a report to Ageas, with photos, setting out their findings and likely cause based on the damage seen. It was Ageas that decided whether or not the claim was covered under the policy, not the surveyors. Therefore, I consider it unlikely that the surveyors had reached a decision about Mr S's claim before they entered his home, and it wasn't within their remit to make the claim decision.

When asked for comment, Ageas' surveyors reported that the visit had gone well. I've looked at the statements each of the surveyors gave in response to this element of Mr S's complaint. They said they'd been professional and greeted Mr S as they would any other policyholder. Further, the surveyors reported having a chat with Mr S about his work and felt they'd got on with him quite well. Having read each of the statements, it appears to me that the surveyors were surprised and shocked by Mr S's allegation given their recollection of the visit.

While Mr S felt the surveyors treated him differently because of his race, when I asked him for further comment he referred to his previous submissions and reiterated that the surveyors ignored the facts and didn't smile. As I've explained, I haven't seen anything in the evidence to support the allegation that the surveyors ignored evidence or failed to listen to him. I acknowledge Mr S's submission that the surveyors didn't smile but, based on the information I've already outlined, I'm persuaded his claim was properly considered. Therefore, I can't reasonably say the evidence indicates that the surveyors acting on behalf of Ageas did anything other than assess the damage, provide factual evidence, and deliver findings based on their professional opinion.

Although Mr S believes Ageas declined his claim on racist grounds, having reviewed all the

information, I'm not persuaded he was treated unfairly.

Overall, I'm satisfied that Ageas declined Mr S's claim fairly and reasonably in line with the policy, for the reason it gave, based on the evidence available. Therefore, I see no reason to require any action of Ageas in respect of Mr S's complaint.

My final decision

For the reasons I've given, my final decision is that I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 February 2024.

Debra Vaughan
Ombudsman