

The complaint

Mr H and Mr H have complained that Ageas Insurance Limited declined a claim made under their buildings insurance policy.

For ease of reading, I'll refer to Mr H and Mr H collectively as Mr H. And reference to Ageas includes its agents and representatives.

What happened

- Mr H owns a property he rents to tenants. He took out a buildings insurance policy for it, underwritten by Ageas, in August 2023.
- In January 2024, Mr H got in touch with Ageas to make a claim. He thought the gable wall may have moved following bad weather. Water had got in and caused damage.
- Ageas arranged for a surveyor to inspect the damage and declined the claim. It said the tenants had said the damage had been ongoing for around ten years. And images of the property showed the gable wall had already moved by 2021. It said the most likely cause of the problem was 'tie iron failure'.
- Mr H didn't think this was a fair outcome. He said the tenants hadn't been in the property for ten years. And he didn't think the images Ageas had found showed any movement. He also questioned how Ageas had established the cause of damage. And he said the property had been remortgaged several times since he'd owned it, including since 2021, and each time a survey was completed. That suggested there hadn't been an ongoing problem.
- Ageas maintained its position. It later told this Service it was relying on two policy terms to decline the claim: in summary, terms which excluded damage which began prior to the start of the policy and gradual deterioration.
- Our investigator thought Ageas acted fairly when it declined the claim. Mr H provided a copy of a mortgage survey to support his position, but our investigator wasn't persuaded to change their mind. An agreement wasn't reached, so the complaint has been 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.

- When considering what's fair and reasonable in the circumstances I've taken into account relevant law and regulations, regulators' rules, guidance and standards, codes of practice and, where appropriate, what I consider to have been good industry practice at the time. Whilst I've read and taken into account everything said by both parties, I'll only comment on the points I think are relevant when reaching a fair outcome to this dispute. That's a reflection of the informal nature of this Service.

- It doesn't seem that Ageas specified any policy terms when initially declining the claim or responding to Mr H's complaint. It only did so once our investigator sought clarification about why it had declined the claim. This is disappointing.
- Ageas has ultimately relied on two terms to decline the claim, so I'll consider each in turn. Both terms are exclusions, so that means the onus is on Ageas to show they likely apply in order to rely on them. I'll consider the evidence provided and decide whether Ageas has done that.
- The first exclusion says the policy doesn't cover any damage that 'commenced before the period of insurance'.
- I understand the policy began in August 2023. So, for Ageas to rely on this exclusion, it would need to show the damage claimed for most likely began prior to that time.
- There are broadly two areas of damage – to the external gable wall and internally as a result of water ingress.
- Ageas' surveyor said the peak of the gable wall looked as if it had moved outwards, away from the roof at ridge level. I think that's supported by the photos Ageas took.
- Ageas said this movement had begun prior to the start of the policy, for essentially two reasons. One was the alleged comments of the tenant, who is quoted as saying the wall had been that way for ten years. However, Mr H says the tenants haven't been at the property for that long. So I don't think it would be fair to rely on these alleged comments in the circumstances. The second reason was images from 2021 and 2022, which Ageas said showed movement in the same areas. I agree with Mr H that they're not the clearest images, especially the earlier one. But I think the later one shows a similar lean to the photos taken in 2024 and, on balance, shows the gable wall problem likely began prior to August 2023.
- I note this is the professional opinion of Ageas' surveyor, and I haven't seen an opinion from a similar professional to challenge it. I acknowledge Mr H's point that the property had been remortgaged a number of times, with surveys, and it's unlikely a mortgage company would agree to a remortgage if there were structural concerns. However, the survey he's shared is very brief. It says it's not a structural report, is based upon a limited inspection, and may not reveal serious defects. In these circumstances, I'm not persuaded it outweighs the opinion of Ageas' surveyor.
- Whilst Ageas told Mr H it had 'found out' the gable wall was most likely damaged due to tie iron failure, I haven't seen any evidence to support that position. I note the surveyor listed it as one of a number of possibilities – but didn't go so far as to label it the most likely. So I think Ageas have misinterpreted the surveyor's comments.
- I haven't seen any evidence to suggest the water ingress began prior to the start of the policy. Ageas' surveyor didn't comment on this. And the internal photos don't, in my view, show signs of longer term water damage. So I'm satisfied this damage likely happened after the policy began.
- As a result, I'm satisfied Ageas can fairly rely on the first exclusion to decline the claim for the gable wall damage – but not for the internal water damage.

- The second exclusion says the policy doesn't cover any claims 'arising from wear and tear or gradual deterioration'. So, for Ageas to rely on this exclusion, it would need to show the damage claimed for most likely arose in this way.
- As noted above, I think the internal water damage happened after the policy began. And probably very soon before the claim was made, given the extent of damage shown in the photos. So I don't think this damage could fairly be described as wear and tear or gradual deterioration in its own right.
- However, I note the policy term excludes damage *arising* from wear and tear or gradual deterioration. I think it would be fair to describe the damage to the gable wall as gradual deterioration. It doesn't seem to have been caused suddenly based on the available evidence, so it must be a gradual problem. And it seems to be the cause of the water ingress.
- As a result, I consider the internal water damage likely arose due to gradual deterioration. So I'm satisfied Ageas can fairly rely on the second exclusion to decline the claim for the internal water damage.
- Overall, this means I'm satisfied Ageas acted fairly when it declined the claim. Mr H is entitled to take professional advice about the cause(s) of damage. If he does so, and shares such advice with Ageas, I'd expect it to consider the matter further.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mr H to accept or reject my decision before 2 May 2025.

James Neville
Ombudsman