

The complaint

Mr M and Mrs K – representing the estate of Mrs M – complain about Royal & Sun Alliance Insurance Plc's ('RSA') decision to decline a claim on Mrs M's home insurance policy.

For clarity and ease, I'll refer only to Mr M throughout this decision rather than Mr M and Mrs K.

What happened

In December Mrs M's home suffered damage due to an escape of water originating from her loft. The home was unoccupied at the time, as Mrs M had moved into a care home prior to the event.

Mr M made a claim on Mrs M's behalf, but following its investigations, RSA decided to decline it. RSA explained this was because an endorsement was placed on the policy when the home became unoccupied, and it didn't think this endorsement had been complied with.

Mr M complained and RSA provided a final response in May 2024 in which it said it was maintaining its decision to decline the claim for the same reasons it had previously given. But it offered to pay £50 compensation in response to a delay in replying to one of Mr M's emails.

Our investigator didn't think RSA had acted unfairly by declining the claim. She thought there was some ambiguity in the wording of the policy endorsement, but she thought it could reasonably be relied on by RSA to decline the claim since gas bills showed the boiler hadn't been in use prior to the loss and weather reports showed freezing temperatures around the time of loss.

Because Mr M didn't agree, the complaint was referred to me to decide.

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, while I understand Mr M will be disappointed by this, I've decided not to uphold the complaint. I'll explain why.

I should start by saying while I've read and considered everything Mr M and RSA have provided, I won't be commenting on every point made. I'll instead concentrate on what I consider are the key points I need to think about for me to reach a fair and reasonable decision. This isn't meant as a discourtesy to either party, but instead reflects the informal nature of this Service.

I've begun by looking at the policy terms. The endorsement RSA placed on the policy says:

“When the house is unoccupied for more than 48 hours it is a condition of the insurance that:

...

During the months of October to March (inclusive)

- *The water supply is turned off at the mains and the water and heating systems drained*
- *The gas supply and, if no intruder alarm is installed, the electricity supply are each turned off at the mains unless there is an automatically controlled central heating system, involving the water supply, in constant operation.”*

I've considered if it was reasonable for RSA to add this endorsement to the policy. It isn't in dispute the home was unoccupied on a long-term basis, and RSA has provided evidence to show its standard response to that would be to add this endorsement to a policy. So, I don't think it was unfair RSA placed the endorsement on the policy as it accurately reflected the circumstances and was consistent with how it would have treated another customer in the same circumstances.

I've next considered how clear the endorsement is. I think it can reasonably be understood to mean the policy holder must take *either* of the following actions to comply with it:

1. They must turn their water supply off at the mains, drain the water and heating systems and turn their gas supply off.

Or

2. If they have an automatically controlled central heating system, it must be in '*constant operation*'.

I say this because the exception that the gas supply does not require being switched off if the boiler is automatically controlled and in constant operation is incompatible with the requirement for the water supply to be turned off at the mains and the system drained given that the boiler would cease to function without an active water supply.

It isn't in dispute that Mr M didn't turn off the gas and water supply and didn't drain the water system. So, the boiler would have needed to be automatically controlled and in '*constant operation*' for the endorsement to have been complied with.

Mr M says the policy doesn't define what's meant by '*constant operation*'. I agree it could be clearer exactly what RSA meant by this. So, I've thought about whether it's been shown the boiler was in use to the extent the endorsement could reasonably be considered to have been complied with.

Mr M says the endorsement was complied with, because the thermostat was switched on and the boiler timer was set to activate twice a day. But I've been provided with copies of the gas bills for the property, and these show the gas meter reading remained the same between May 2023 and November 2023, and between November 2023 and December 2023 only a negligible amount of gas was consumed for the entire month. So, I think this shows the boiler likely wasn't in use at all for most of the time. And as such, I don't think the endorsement was reasonably complied with.

I acknowledge Mr M says in August 2023 the pilot light was found to have gone out on the boiler. And the same was noticed to have happened again in November 2023 with a plumber

attending and recommending the boiler be replaced – which was scheduled for 5 December 2023. But, other than Mr M's comments, I've seen no further evidence to show these faults with the boiler, or the appointment booked for 5 December 2023 to replace it. And this doesn't explain the lack of *any* gas usage on the bills shown between May 2023 and November 2023.

For RSA to have reasonably declined the claim due to non-compliance of the endorsement, RSA also needs to show it was prejudiced by the endorsement not being complied with. So, I've considered if there's enough to show the leak likely happened because the water supply wasn't turned off and system drained, or the central heating wasn't in use.

Given the loss was caused by an escape of water, it seems likely it would have been avoided had the requirement to switch the water supply off and drain the system been complied with. Since that wasn't complied with, I've considered if the loss likely could have been avoided had the central heating system been in use.

The purpose of having the central heating system in use while the property was unoccupied would be to reduce the risk of damage to pipes from freezing. So, I've considered if it's likely the escape of water was caused by a pipe which had been damaged by freezing temperatures.

On balance, I think it's likely that it was. I say this because a weather report from the time of the loss shows the temperature was below zero, when the loss was reported to RSA, Mr M said he thought it had been caused by a burst water pipe in the loft, on assessing images of the damage RSA concluded the damage to the pipe was characteristic of a pressure build up which would have happened if the pipe had frozen and suddenly thawed, and I haven't seen persuasive evidence showing an alternative explanation to freezing is likely to have caused the damage instead.

And since it likely would have prevented the pipe from sustaining damage from freezing if the central heating system had been used, I think it's likely the endorsement not being complied with caused the loss.

RSA placed an endorsement on the policy which required the water system drained and switched off or the central heating system to automatically be in use. I don't think this endorsement was complied with based on the lack of gas consumption. The loss itself looks likely to have happened because of a frozen pipe, which I think is likely not to have happened had there been usage of the central heating system. For these reasons, I don't think it was unreasonable for RSA to decline the claim based on the endorsement not being complied with.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs M to accept or reject my decision before 12 March 2025.

Daniel Tinkler
Ombudsman