

## **The complaint**

Mr H complains Ocaso SA, Compania de Seguros y Reaseguros unfairly declined his escape of water claim.

Ocaso's been represented for the claim. For simplicity I've generally referred to the representatives' actions as being Ocaso's own. Mr H's been represented for the claim and complaint. For the same reason I've referred to the actions of the representative as being Mr H's own.

## **What happened**

Mr H owns a leasehold for a residential property. He lets it to a tenant. It's insured under a local authority held Ocaso block policy. In May 2021 Mr H made an escape of water claim against the policy. Water, leaking from the flat above, had entered his property.

Ocaso inspected the property. It accepted there had been an escape of water during the period of cover. Noting the property was of unkempt appearance, Ocaso was concerned to distinguish damage caused by the leak from any potential historic damage. To help it understand the condition of the property before the leak, it requested Mr H provide the property's managing agent's inspection reports, schedule of condition or inventory.

Mr H didn't provide the requested information, explaining it wasn't available. Ocaso considered the failure to provide the requested information, or any alternative evidence of the pre-loss condition, prevented an accurate assessment of its liability. It considered Mr H had failed to satisfactorily demonstrate damage did occur in May 2021.

In April 2023 Ocaso formally declined the claim. It said it had considered the claim against the policy's escape of water cover. It said despite the managing agent having checked the property regularly, it hadn't received evidence from the inspections. So it had been unable to validate that the damage claimed for occurred from a single insured event. Ocaso was of the opinion photo evidence demonstrated wear and tear, gradual damage, rather than damage from a single escape of water event.

Mr H, unhappy with the decline, complained. He had been emotionally and financially affected. He asked, as a resolution, for Ocaso cover the full cost of repairs. Ocaso responded in August 2024. It said Mr H still hadn't provided evidence to support the cause of damage being an escape of water rather than wear and tear. It didn't agree to settle the claim.

Our investigator found Ocaso's decision to decline the claim, after Mr H failed to provide reasonably requested information, to be fair and in line with the terms of the policy. Mr H didn't accept that outcome, he requested an ombudsman consider his complaint.

## **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.

The policy covers Mr H's building against damage caused by various events including escape of water. There is some limited evidence, including two Ocaso inspection reports, to support there being some damage likely caused by water escaping from the flat above's water system.

So, on the face of it there's a payable claim. But from Ocaso's reports and records, it's clear it was concerned some of the damage to the property might be historic, pre-dating the loss and so not covered by the policy. Understandably it wished to avoid paying for repairs it's not obliged to.

Having seen photos, demonstrating the condition of the property, I consider Ocaso's concern to be reasonable. For that reason, I also consider its request for Mr H to provide evidence of the condition of the property, pre-loss, to be fair. That's in line with the terms of the policy, requiring Mr H to provide all information, in support of a claim, Ocaso reasonably asks for.

As far as I'm aware Mr H didn't provide any documentation, from the letting of the property, or any other evidence of its condition pre-loss. It's reasonable to expect some record or evidence of the condition of a let property to be maintained and available. But all I've seen from Mr H is a description from the managing agent of the property being, a few months before the loss, in 'mint condition'.

There might be a reasonable explanation for Mr H's failure to provide documentary evidence, one that possibly persuades me Ocaso treated him unfairly. But Mr H, and his representative, haven't provided any supporting evidence, comments or arguments at all for this complaint. I certainly haven't been provided with an attempt at an explanation, let alone a persuasive one. They haven't explained what other efforts, if any, were made to help Ocaso validate the claim.

In the absence of any explanation for Mr H's failure to provide the requested evidence, or other efforts to support the claim, I'm not going to find Ocaso treated him unfairly. Ultimately it was reasonable of it to wish to determine its exact liability. Mr H doesn't appear to have engaged with its efforts to do so. So I'm not going to interfere with Ocaso's decision not to settle the claim.

### **My final decision**

For the reasons given above, I don't uphold Mr H's complaint.

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

Daniel Martin  
**Ombudsman**