

The complaint

Mr H has complained about the way Evolution Insurance Company Limited handled a claim under his home emergency insurance policy.

What happened

Mr H took out a home emergency policy underwritten by Evolution for a rental property he owns. The policy includes cover for drainage problems in certain circumstances.

On 21 July 2024 Mr H contacted Evolution as his tenant had notified him about a blocked drain at the property. Evolution sent him a text message giving him the time of an appointment for an engineer to visit the property the next day.

The engineer phoned Mr H to say that he couldn't access the gully to unblock the drain due to the construction of the trap. He recommended that the existing inaccessible gully should be excavated, the drain cleared with pressure water jetting, a new gully installed, the excavation backfilled and waste removed from the site. The engineer said he could do the work the following day at a cost of £780. Mr H asked the engineer to carry out the work and paid the engineer a deposit of £390. Evolution says the engineer made it clear to Mr H that this work wouldn't be covered by his policy.

On 23 July Mr H contacted Evolution and complained that he'd had to pay the engineer a deposit of £390. He wanted to reclaim the money he had paid. Evolution said he should have obtained its authorisation before agreeing to the work. It explained that the engineer was a sub-contractor and it wasn't liable to reimburse Mr H as the work was being carried out under a private agreement between Mr H and the sub-contractor.

Mr H said he believed the engineer was employed by Evolution and that he would be reimbursed for the repair. Evolution said it should have been obvious to Mr H from the engineer's uniform and vehicle that he was a sub-contractor. Mr H has told us he wasn't at the property in person during the engineer's visits.

After Mr H brought his complaint to this service, Evolution offered Mr H £54.98 compensation being a refund of two months' premiums which he didn't accept. Our Investigator thought Evolution should have done more to make Mr H aware that the work was being done outside the contract of insurance. He recommended that Evolution should pay Mr H an additional £100 compensation.

As Evolution didn't agree, the matter has been referred 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.

The starting point for deciding whether an insurer has acted reasonably is the policy wording. Mr H's policy states:

“Tracing a fault or making access for a repair is not covered, unless its source is readily identifiable or, if we agree to an engineer visit, can be traced and accessed using reasonable efforts.”

The engineer sent by Evolution couldn't access the drain using reasonable efforts due to the construction of the trap.

In addition the policy also said:

“HOW TO CLAIM

Please do not make arrangements yourself without prior authorisation from us. If you do, we will not reimburse costs you incur.”

Mr H did enter into a private arrangement for further work to get rid of the blockage without prior authorisation from Evolution.

In the light of the above I'm satisfied that Evolution acted in line with the terms and conditions of the policy when refusing to pay the cost of the additional work. I don't think it would be fair to require Evolution to pay for replacing the gully.

However, my remit here is also to consider what is fair and reasonable in the circumstances of the case. I've thought about whether Evolution did enough to make Mr H aware in advance that he wouldn't be reimbursed for the work which he paid the engineer to carry out.

The message sent by Evolution to Mr H confirming the appointment said:

“This is the confirmation text for your appointment. Engineer visit is booked for 22/07/2024 between 8AM and 6PM.”

There is nothing in the message to indicate that the engineer wasn't actually employed by Evolution. I appreciate that the engineer would have been wearing a different company's uniform and driving their van but as Mr H didn't live at the property and there was a ten-hour slot for the appointment, Evolution couldn't reasonably assume that Mr H would be physically present.

A second message from Evolution said:

“Our engineer has confirmed that the job is complete, If this is not correct, please call us immediately on 0345 077 4177.”

It was only after that point that Mr H rang Evolution and was told it wasn't its engineer carrying out work for him but a third-party contractor whose additional costs he was liable for. Evolution has told us that the engineer told Mr H the work wouldn't be covered by his policy but it isn't able to produce any evidence to substantiate this. I can't see that it did enough to make it clear to Mr H that he wouldn't be covered for this work until it was too late and he was already committed.

I think the failure on the part of Evolution to make it clear to Mr H that he would be personally liable for any work which was agreed between him and the engineer without its prior authorisation caused him some unnecessary distress and worry. To put things right I agree with our Investigator that a total compensation payment of £154.98 would be fair and reasonable in the circumstances.

My final decision

For the reasons set out above, I uphold this complaint and require Evolution Insurance Company Limited to pay compensation of £154.98 to Mr H for the trouble and upset it caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 3 June 2025.

Elizabeth Grant
Ombudsman