

The complaint

Mrs B complains that esure Insurance Limited unfairly declined a claim she made under her home insurance policy.

Esure is the underwriter of this policy i.e. the insurer. Part of this complaint concerns the actions of its agents. As esure has accepted it is accountable for the actions of the agents, in my decision, any reference to esure includes the actions of the agents.

What happened

In January 2025, Mrs B made a claim under her home insurance policy with esure after an escape of water caused damage to her house. The source of the leak was in Mrs B's neighbour's property.

Esure arranged for strip out and drying works to be carried out and offered Mrs B a cash settlement for the reinstatement work. After Mrs B raised some concerns about esure's service, it gave her the option of having her house repaired by esure's contractors. Mrs B says esure didn't explain the claims process or mention a disturbance allowance until after she made a complaint in late February.

In early March, esure asked Mrs B to supply gas and electricity bills from November to January, as well as photos of her kitchen and bathroom. After she provided these, esure told Mrs B it was declining her claim due to inoccupancy and the property being unfurnished for normal living.

Mrs B raised a complaint but esure maintained its position regarding the decline of her claim. It apologised for the inconvenience caused by not deciding to repudiate her claim sooner and offered Mrs B £150 compensation.

Mrs B remained unhappy, so she asked the Financial Ombudsman Service to consider the matter.

Our investigator thought Mrs B's complaint should be upheld. He wasn't persuaded that esure had shown the unoccupancy exclusion applied. He recommended that esure settle Mrs B's claim in line with the remaining policy terms and pay her a total of £350 for distress and inconvenience.

Esure disagreed with our investigator's outcome. It made some further comments about why it believed Mrs B's property was unoccupied before the claim. So, the complaint has been passed 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, I've decided to uphold Mrs B's complaint. I'll explain why

When a policyholder makes a claim, the onus is on them to show that an insured event caused the loss or damage. If it's established that an insured event caused the damage, an insurer can decline a claim if it can show an exclusion applies or a condition has been breached.

It's not disputed that Mrs B's property was damaged by an escape of water, which is one of the events the policy covers. However, esure is relying on the following policy exclusion to decline Mrs B's claim:

"We will not pay for loss or damage:

- If Your House is Unfurnished or Unoccupied"*

"Unfurnished" is defined as "When Your House does not contain sufficient furniture for normal living purposes and is in this condition for more than 30 consecutive days."

"Unoccupied" is defined as "When Your House is not being lived in by You or any member of Your Household for more than 30 consecutive days. By lived in, We mean staying in and sleeping overnight for at least 3 nights in a row every week. Visits to check on Your Home do not constitute occupancy."

I can see Mrs B notified esure of the escape of water incident in mid-January, which was around six weeks after she purchased the property and the policy started. Mrs B says she had to move out of the property after the leak because she had no electricity.

Mrs B says she was living in the property prior to the escape of water event. However, she wasn't spending much time there for various reasons. She had only just purchased the property following a breakdown in her marriage. Her mother was terminally ill, and her brother was suffering from physical and mental health issues. She says she spent some nights away from the home in the run up to Christmas due to plans she'd made prior to the move. She stayed with family over Christmas and also spent time in hospital with her brother.

Furniture

Esure says Mrs B's property was unfurnished and didn't look 'lived in'.

Mrs B says buying new furniture wasn't a priority when she first moved into her property. She says she didn't receive the money owed to her from her marital home until January which was another reason why she hadn't yet purchased everything she needed. But she did have a bed to sleep on, a sofa to sit on and a functioning kitchen and bathroom.

The surveyor who attended Mrs B's property in late January didn't make any comments about the occupancy or furniture in the property in his report. I can see that the surveyor was asked about this in March. The note says:

"We also spoke to the surveyor who attended the property and asked if he felt that the property was not occupied, the surveyor advised that the policyholder said that she had only moved in recently so didn't think anything of it."

The information from esure suggests it reached the conclusion that the property was unfurnished by looking at the surveyor's report. There's a note which says:

"I've looked at the (surveyor's) report and the property is unfurnished there is one armchair and a sofa only in the open plan lounge dining area in the main bedroom there is only one wardrobe..."

The photographs in the surveyor's report are only of the rooms affected by the escape of water – the main bedroom, hallway and lounge. It's a two-bedroom property and only a small section of the floor of the main bedroom appears in the photograph. So, I don't think the report indicates that there wasn't a bed in the house.

Esure has acknowledged the presence of a sofa and an armchair in one of the photographs.

There aren't any photographs of the kitchen or bathroom in the surveyor's report as they weren't damaged by the incident. Esure asked Mrs B to provide photographs of these rooms in March 2025 and concluded that "*both rooms don't look lived in*".

Esure has noted that the tea and coffee caddies in the kitchen were empty and there were no signs of day to day use with ornamental items only. However, the photograph was taken around two months after Mrs B had to move out of the property due to the incident, so I don't find it surprising that the kitchen doesn't look 'lived in'.

Esure hasn't shared the photograph Mrs B sent of her bathroom. But I'm not persuaded that there being "*no sign of a toothbrush or body loofah etc*", indicates that the property was unoccupied when the escape of water event happened two months before.

Energy usage

Esure says it doesn't think Mrs B could have been living at the property because her energy bills indicate that her gas and electricity usage was too low.

Mrs B's gas bill for the period 4 to 30 December 2024 shows a usage of only 4.4 kWh.

Mrs B says she didn't have time to work out the heating when she first moved into the property, so she turned it off. She says it wasn't necessary for her to have it on because she was out working all day and staying out until late.

Esure has commented that this seems unrealistic because it was the height of winter with temperatures of sub-zero. But I've reviewed weather reports in Mrs B's property's area, and the temperature doesn't appear to have fallen below zero degrees in December 2024. There were some days where the minimum temperature got close to zero. But Mrs B says she spent some nights away from the home. So, I'm not persuaded the low gas usage in December shows Mrs B wasn't living at the property.

Esure has also commented that Mrs B's property has a gas cooker, so the gas bill doesn't support the use of any cooking facilities. However, Mrs B says she was mainly eating at work or on the go. Given what she's told us about her personal circumstances and the fact that Mrs B was the sole occupant of the property, I don't find it unusual that she wasn't using the gas cooker.

In its response to Mrs B's complaint, esure said the energy consumption showed no gas had been used. However, the bill it's shared with us show the gas usage was 567.6 kWh for the period 30 December 2024 to 30 January 2025. So, I'm not persuaded there's evidence to show that Mrs B wasn't using any gas prior to the claim in mid-January.

The electricity bill for December 2024 was based on an estimate. So, I can only see Mrs B's electricity usage for the period 4 December 2024 to 30 January 2025. This shows usage of 33.9kWh.

Mrs B says the electricity tripped during the escape of water incident and needed to be checked by an electrician before it could be turned back on. This hadn't happened by the end of January, so the 33.9 kWh reflects her electricity usage for a period of around six

weeks. Esure says this is far too low to support someone living in the property and a fridge itself would use around 30 kWh per month.

I'm not persuaded by esure's suggestion that the electricity usage can be explained by her fridge. If the Mrs B wasn't living in the property as esure claims, there wouldn't be any need for the fridge to be turned on.

I understand esure's concerns that the electricity usage was low. However, Mrs B says she was working full time and showering at the gym. She was doing washing at the family home, where her children were. She says she didn't buy a fridge straight away. She didn't need one because she was eating away from home most of the time and the type of coffee she drinks doesn't require milk.

I acknowledge that Mrs B's electricity usage is low compared to other households. But I don't think this is sufficient evidence that the property was unoccupied. I think her electricity usage supports her living at the property some of the time. We are only looking at a six-week period between the policy start date and the date of the incident. The property would only be considered unoccupied if it wasn't lived in for more than 30 consecutive days during that time frame. So, I'm not persuaded that Mrs B's low energy bills show that the property was unoccupied as defined by the terms of the policy.

Keeping in mind that the onus was on esure to show that the exclusion applied, I'm not persuaded it has. I don't think it's provided sufficient evidence to show that Mrs B's property was unfurnished or unoccupied at the time of the incident her claim relates to. So, I don't think esure's decision to decline her claim was fair or reasonable.

Esure hasn't given any other reasons for declining Mrs B's claim. So, I think it should settle it, in line with the remaining terms and conditions of the policy.

Distress and inconvenience

Mrs B says the service she received from esure was poor from the beginning. She says it didn't provide her with guidance on what to do. She raised concerns about esure's service after being offered a cash settlement. She then received an email asking her to pay her excess. She feels esure penalised her for raising concerns by declining her claim.

After esure declined Mrs B's claim, she was left to deal with the damage herself. She's told us her entire living room was in a poor condition, and her walls were still wet five months after the incident. She believes her property was still suffering because next door hadn't carried out their repairs effectively and feels she shouldn't have to investigate that herself.

I understand this has been a very stressful situation for Mrs B. But I can't award compensation for the impact of the escape of water event itself or the actions of a third party. I can only award compensation for the additional distress and inconvenience Mrs B experienced as a result of esure's poor service.

I've explained why I think esure's decision to decline Mrs B's claim was unfair. As a result of this, she was left to deal with drying and repairs on her own which made things more difficult for her. I also think esure's communication with her was poor. It doesn't appear to have explained the claims process to her until after it offered Mrs B a cash settlement for repairs. I can't see that there was any discussion about alternative accommodation or a disturbance allowance before this either.

Considering the above, I think it would be reasonable for esure to pay Mrs B a total of £350 for distress and inconvenience. This would include the £150 it offered her in its response to her complaint.

Putting things right

Esure should:

- Settle Mrs B's claim, in line with the remaining terms and conditions of the policy and
- Pay Mrs B £350 for distress and inconvenience.

My final decision

For the reasons I've explained, I uphold Mrs B's complaint and direct esure Insurance Limited to put things right by doing as I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 16 October 2025.

Anne Muscroft
Ombudsman