

## **The complaint**

Mr J has complained that Accelerant Insurance Europe SA/NV UK Branch (Accelerant) unfairly rejected a claim he made for fire damage under his home insurance policy.

All reference to the insurer Accelerant includes its agents.

## **What happened**

In November 2023 Mr J's roof was damaged by fire. Contractors working on the roof caused fire damage using equipment while carrying out what is described as 'hot works.'

In January 2024 Mr J reported the incident to Accelerant. After investigation, in August 2024 Accelerant rejected Mr J's claim. It applied two conditions which excluded Mr J's claim from cover under the policy. These were where work was being carried out by a contractor, and where the works were 'hot works.'

Mr J complained to Accelerant about its decision. But in March 2025 Accelerant didn't uphold Mr J's complaint. So Mr J asked us to look at his complaint.

One of our Investigators thought Accelerant's decision to reject the claim was reasonable and in line with the policy. But she thought Accelerant could have managed Mr J's expectations sooner as to the likelihood of covering the claim, as it was aware of the cause of damage several months before it rejected the claim. For the delay in deciding on Mr J's claim, she recommended Accelerant pay £200 compensation. She emphasised that this was not for the decision to reject the claim, which she found was fair.

Accelerant accepted the Investigator's findings and recommendation.

Mr J didn't agree and wants an ombudsman to decide. In summary he believes the terms Accelerant relied on to reject his claim are more suited to commercial rather than residential insurance policies. He says as a lay person he wasn't aware of the implications of the conditions. He's unhappy that he received no financial assistance during the eight months it took for Accelerant to reach its decision. Mr J says he wasn't made aware by Accelerant of the need for the contractor to hold a hot works permit. Mr J believes Accelerant should assist him in recovering the costs for the damage from the contractor's insurer.

Due to Accelerant's decision not to meet his claim, Mr J says he has had to pay for the costs of scaffolding and for alternative accommodation. He doesn't agree he should have the full financial burden of repairing the damage caused.

So the case 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.

Mr J has referred to the Insurance Conduct of Business Sourcebook (ICOBS) and our

principles when looking at his complaint.

The aim of the ICOBS is to ensure a firm provides clear information to a consumer when they purchase a policy. We take into account the relevant laws as well as industry practice. We apply a fair and reasonable approach when deciding on complaints.

Under section 6.1.5 of the ICOBS it says a firm; *'must ensure that a customer is given appropriate information about a policy in good time and in a comprehensible form so that the customer can make an informed decision about the arrangements proposed.'*

I've looked at the policy wording provided to Mr J when he purchased the policy. In addition to the policy wording, under the Insurance Certificate Schedule, Accelerant highlighted additional and special conditions. The schedule read:

*"IMPORTANT NOTICE: Please check this Certificate Schedule and accompanying Proposal Form/Statement of Fact very carefully"*

The schedule listed the following which are relevant to the rejection of Mr J's claim:

*"H033 - Contractors Clause*

*We will not pay for any loss, damage or liability arising out of the activities of any contractor"*

and;

*"X2003 - Hot Work Permit Condition Precedent*

*It is a Condition Precedent to our liability that:*

*(1) a Hot Work Permit is in place to control all Hot Work activities and manage the associated fire risks. (Hot Work is deemed to be any type of work involving the use of gas or electric welding or cutting apparatus, blow lamps, blow torches, grinding wheels, cutting discs, or bitumen or tar boilers)*

*(2) Hot Work Permits are only provided to named personnel who have completed training in Hot Work control procedures.*

*(3) periodic management audits are undertaken to verify application of adequate Hot Work control procedures. It is agreed to note that Hot Work Permits apply to both contractors personnel and own employees."*

While the condition referring to hot works is less usual, I don't find the condition excluding cover for damage caused by contractors to be unusual as this is listed by many insurers under standard home insurance policies.

I find that Accelerant highlighted both of the conditions above clearly to Mr J when he purchased the policy. And it made Mr J aware of the importance of checking the details carefully. So I find Accelerant acted reasonably here.

In August 2024 a claims adjuster on behalf of Accelerant said it hadn't received evidence of a hot works permit. But it said Mr J could submit any new information to the insurer, which I understand Mr J didn't provide in relation to a hot works permit.

There's no dispute from the evidence available that the damage was caused by contractors working on Mr J's roof. Even if I found that the 'hot work' term was unusual or not sufficiently

highlighted – which I don't – Accelerant reasonably rejected the claim by applying the 'contractor works' exclusion.

As I find Accelerant's decision to reject the claim was fair, it follows that I don't think it is responsible for the losses that flowed from the damage, or in seeking recovery of Mr J's losses from the contractor's insurer.

Under ICOBS section 8.1.1 it says;

*"An insurer must:*

*(1) handle claims promptly and fairly;*

*(2) provide reasonable guidance to help a policyholder make a claim and appropriate information on its progress;*

*(3) not unreasonably reject a claim (including by terminating or avoiding a policy); and*

*(4) settle claims promptly once settlement terms are agreed."*

So in line with the ICOBS, we would expect an insurer to deal with a claim fairly and promptly, while balancing that with ensuring it has completed a full investigation before reaching its decision.

Accelerant was aware in February 2024 from evidence available from the local Fire Brigade that the cause of damage was due to contractor's carrying out hot works. It looked to obtain further evidence before reaching its decision in August 2024. But I think it could have better managed Mr J's expectations during this period.

While it doesn't change the outcome, I think Accelerant should pay Mr J £200 compensation for the delay and failure to better manage his expectations between February 2024 and August 2024.

I understand Mr J will be very disappointed with my decision. But I find Accelerant treated Mr J fairly and as it would any other consumer in the same circumstances when deciding to reject the claim. So I am upholding his complaint in part for the distress and inconvenience its delay caused.

### **My final decision**

My final decision is that I uphold this complaint in part. I require Accelerant Insurance Europe SA/NV UK Branch to pay Mr J £200 compensation for the distress and inconvenience caused by the delay in deciding to reject the claim.

Accelerant Insurance Europe SA/NV UK Branch must pay the compensation within 28 days of the date on which we tell it Mr J accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

If Accelerant Insurance Europe SA/NV UK Branch considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mr J how much it's taken off. It should also give Mr J a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 19 November 2025.

Geraldine Newbold  
**Ombudsman**