

## complaint

Mrs G complains about the response made by Ageas Insurance Limited to claims she made under her Home insurance policy.

## background

Mrs G thought a leak in the house next to hers had affected a wall in her kitchen. She made a claim for this. She also made a claim for dampness in her bathroom that was caused as a result of damage to a drain.

Ageas agreed the bathroom damage was covered, although it said a policy exclusion meant the damage to the drain wasn't covered. It said tests had shown the water affecting the kitchen was natural groundwater. And, because of this, the damage it caused wasn't covered by the policy. But it offered to pay Mrs G £100 as compensation for the distress that delays had caused.

Mrs G told us that, after it dried, there was no damage in the bathroom. Our adjudicator thought damage caused by groundwater due to a rise in the water table amounted to damage caused by flood, which the policy covered. And he thought the compensation should be increased to £350. Ageas disagreed. I issued a provisional decision. Regarding the drain, I thought the damage described by Ageas's agents was likely to have happened suddenly. So, I didn't think it was fair for Ageas to have relied on the exclusion of loss or damage that happens gradually. But I said the relevant cover only applied if the drains were underground, and it appeared the damaged items were above ground. So, this damage wasn't covered.

Ageas said it paid more than £500 to dry the bathroom. I thought this could fairly be treated as part of Mrs G's claim. The policy said she must pay the first £250 of any claim for the escape of water. So, I thought Ageas is entitled to be reimbursed £250 of its outlay on this. But I also thought it should reimburse Mrs G with the cost of additional electricity used in the drying process (£55.97).

In considering whether the damage to the kitchen was caused by flood, I thought the nature of the damage should be taken into account. Mrs G seemed to agree it took the form of dampness in the walls and floor. And Ageas's notes referred to "*rising damp*". I said there was no mention in the evidence of a body of water entering or building up in the kitchen. So, I didn't think there had been a flood in Mrs G's home. Instead, the water seemed to have been in the ground beneath the house. Ageas had said there had been "*a rise in the water table due to ... inclement weather*". I thought that referred to the level at which the soil is saturated by underlying groundwater in the form of a body of water at or around that level. And I thought Ageas had implied that parts of the structure of Mrs G's home must have come into contact with the saturated soil and/or the groundwater, resulting in "*rising damp*". But I said I'd seen no evidence of previous damp in the property, nor of it happening again. And Mrs G had said that, in an unrelated context, the groundwater level had been found to be around 0.75 metres below the surface approximately nine months after the damp had been noticed.

I thought all this indicated that weather conditions temporarily caused a body of water to accumulate around the base of the structure of the house, and to cause the damp to which Mrs G's claim related. In my view, it was reasonable to treat this accumulation of water as a flood. Ageas had, in this context, referred to the exclusion of any loss or damage that happens gradually. But I didn't think it would be fair to rely on this if, as I thought was likely, the damp was caused by a temporary event which, within a relatively short time, resolved itself. So, I said Ageas should resume considering the claim relating to the kitchen.

Ageas accepted my provisional decision. No response was received from Mrs G.

### **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Because Mrs G didn't respond to my provisional decision, and Ageas accepted it, I remain of the view that I set out there.

### **my final decision**

I uphold this complaint in part. If the £55.97 of additional electricity that was used in drying the bathroom has been paid by Mrs G, Ageas Insurance Limited should reimburse this cost to her (unless it's already done this). And it should pay her compensation of £100 (unless it's already done this). But if Mrs G hasn't paid it the sum of £250, it can instead deduct what it owes from this sum. Also, it should resume considering Mrs G's claim relating to the kitchen.

Ageas Insurance Limited should do all this within 28 days of the date on which we tell it Mrs G accepts my final decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 12 December 2016.

S Lilley  
**ombudsman**