

## **complaint**

Ms D complains about Ageas Insurance Limited's decision to refuse a claim made under her home insurance policy.

## **background**

I issued my provisional decision on 24 August 2015, a copy of which is attached and forms part of this final decision. In that decision I explained why I was minded to uphold the complaint.

Ms D made a claim after an internal beam in her home collapsed. Ageas refused the claim as it thought the damage had been caused by wear and tear. I disagreed and thought Ms D may have a valid claim under the accidental damage section of cover. I told Ageas I was minded to require it to deal with the claim subject to the remaining policy terms. I also thought it should pay £100 compensation for the delays, as well as remove the cost of a structural engineer from Ms D's claims record.

I invited both parties to provide me with any comments they wished to make.

Ms D accepted my provisional decision, and confirmed she'd already paid for the repairs.

Ageas responded to say it accepted my provisional decision.

## **my findings**

I've reconsidered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. But as both parties have accepted my provisional findings, I see no reason to change them.

## **my final decision**

My final decision is that I uphold this complaint and require Ageas Insurance Limited to do the following:

- deal with Ms D's claim, subject to the remaining terms and conditions of the policy. If the claim is paid, Ageas should reimburse Ms D for the repairs and add interest at the rate of 8% simple per annum (less tax if properly deductible) from the date Ms D paid for the repairs to the date of settlement;
- remove the cost of the structural engineer's visit from Ms D's claims record. If this reduces the premium, it should reimburse any overpaid premiums made by Ms D. Interest should be added at the rate of 8% simple per annum (less any tax if properly deductible) from the date each overpayment was made, to the date of settlement; and
- if it hasn't already done so, pay Ms D £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D to accept or reject my decision before 30 October 2015.

Chantelle Hurn  
**ombudsman**

## **COPY OF PROVISIONAL DECISION**

### **complaint**

Ms D complains about Ageas Insurance Limited's decision to refuse a claim made under her home insurance policy.

### **background**

An internal beam in Ms D's home collapsed. Ageas arranged for a loss adjuster to visit the property. The loss adjuster thought the beam had collapsed because rainwater had penetrated through cracks in the building and caused the beam to become rotten over a period of time. Ms D thought the rainwater had entered during a storm. But Ageas disagreed. It refused the claim on the basis that the damage had been caused by wear and tear rather than a storm. Ms D brought a complaint to this service.

Our adjudicator didn't agree with Ms D that the damage had been caused by a storm. He noted Ms D had accidental damage cover, but didn't think the claim would fall under this. He also noted the accidental damage section excluded damage caused gradually, so he thought the claim would be excluded in any event.

But the adjudicator did think Ageas had caused unnecessary delays in its handling of the claim, and recommended it pay £100 compensation.

Ageas agreed with the adjudicator's recommendations but Ms D didn't, so the matter has been passed to me.

### **my provisional findings**

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

#### storm

It's accepted that the damage was caused by rainwater entering the property and damaging the beam. If that had happened during a one-off identifiable storm, then I would agree with Ms D that the claim could be considered under the storm section of her policy. But the evidence confirms the damage happened over a period of time, and there weren't any storm conditions leading up to the date of loss. So I don't think the claim can be considered storm damage.

#### accidental damage

The exclusion Ageas has relied upon to refuse the claim says:

*"What is not covered...*

*Wear or tear rust corrosion or gradually developing deterioration of the building."*

Ageas told Ms D the damage was caused by wear and tear. I don't agree. It seems to me that wear and tear would be damage that occurs over time through the normal use of an item. I don't think damage caused by rainwater would be considered the normal wear and tear of an internal beam. I think this could be considered accidental damage.

The adjudicator thought the claim would fall under the above exclusion because the damage happened gradually. But Ms D says she had no idea the rainwater was causing damage to the beam until it collapsed. I find her explanation to be reasonable, as I understand the rot had only set in at the

end of the beam where it was attached to the wall, so it's unlikely this would have been apparent to Ms D before the collapse.

Even though I accept the damage happened over a period of time, given that Ms D wasn't aware that the damage was happening and therefore couldn't have done anything to prevent it, I don't think it would be reasonable for Ageas to rely on this exclusion to refuse the claim.

#### other issues

I note that after the loss adjuster had visited Ms D's property, Ageas decided to send a structural engineer to the property as it wanted to rule out subsidence. Ms D is unhappy that the cost of the structural engineer has been added to her claims record as she thinks this has caused her premium to rise.

Whilst I appreciate there were some external cracks that had allowed rainwater to enter and damage the beam, I don't think this was enough for Ageas to think there may be subsidence. It was aware the property was very old and so a few cracks would be expected. The loss adjuster made no mention of potential subsidence, so it seems to me that the later structural engineer's visit was unnecessary.

I think Ageas should remove the cost of the structural engineer's visit from Ms D's claims record. If this reduces her premiums, it should reimburse her for any overpaid premiums, plus interest.

I agree with the adjudicator that Ms D was caused inconvenience by some unnecessary delays in Ageas' handling of the claim. I think the amount of £100 he recommended was reasonable.

#### **my provisional decision**

For the reasons set out above, my provisional decision is that I intend to uphold this complaint and require Ageas Insurance Limited to do the following:

- resume dealing with Ms D's claim, subject to the terms and conditions of the policy;
- remove the cost of the structural engineer's visit from Ms D's claims record. If this reduces the premium, it should reimburse any overpaid premiums made by Ms D. Interest should be added at the rate of 8% simple per annum (less any tax if properly deductible) from the date each overpayment was made, to the date of settlement; and
- if it hasn't already done so, pay Ms D £100 compensation.

Chantelle Hurn  
**ombudsman**